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TREATISE

ON THE

COINS OF THE REALM.

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ON THE

COINS OF THE REALM;

IN A

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LETTER

TO

THE KING.

BY

[illegible] OF LIVERPOOL.

00087537

TO

THE KING.

SIRE,

IT is a part of Your Royal [illegible] to tend to the ſtate of the Coins of Your Realm, and to cauſe very defect to be removed, which miſtaken policy has introduced, or the waſte of time may have wrought in them.—It alſo, I well know, Your Majeſty's earneſt wiſh and inclination, on this and on every other occaſion, to conſult the convenience, and provide for the intereſts of your People.—For theſe reaſons I have thought it my duty to addreſs to Your Majeſty a Treatiſe, which has for its object, to explain and elucidate the true principles of Coinage; to point out the errors committed in this reſpect under the authority of Your Royal Predeceſſors, and to ſuggeſt the beſt methods of preventing ſuch evils for the future.

As

At Your Majesty's accession to the Thro[ne] Coins of Your Realm were in an imperfect ſtat[e] Silver, in particular.—The Crown Pieces had al[most] diſappeared: though of theſe, there had been coin[ed] general Recoinage in the reign of King William, and [im]mediately afterwards, a number that, amounted in value [to] 1,653,017l. Great numbers of the Half Crowns had in like manner diſappeared; and the number that remained was by no means adequate to the purpoſes for which they were intended; though, of theſe, there had been coined, during the before-mentioned period, a number that amounted in value to 2,329,370l.—Such of the Half Crowns as remained in circulation were, in a certain degree, defaced and impaired.—The Silver Coins, which were then principally current, conſiſted of Shillings and Sixpences. The number of Shillings that had been coined during the ſame period, amounted in value to 6,232,680l.—The number of Sixpences and pieces of ſmaller denomination, ſo coined, amounted in value to 986,705l.—The Shillings had, at this time, loſt almoſt every mark of impreſſion, whether of head, or of reverſe, or of inſcription, or of graining at the edges. The Sixpences were in a ſtill worſe ſtate. I do not know of any account that was taken of their deficiency in weight at this period; but, from experiments that have ſince been made, I think I may aſſert, that the deficiency of the Shillings, even then, amounted to [one] fifth of their original weight; and that of the Sixpences to at leaſt [one] fifth.

According to an eſtimate made by the Officers of the Mint from the [Coins] in their poſſeſſion.

In the years 1787 and 1798, experiments were made by the Officers

The cauſes of the very impaired and deficient ſtate of theſe Silver Coins were, that the heavy pieces had in general been melted down or exported, and the remainder diminiſhed by wear or by filing. A conſiderable profit was derived from this laſt practice: and very little Silver Bullion had been brought to the Mint to be coined; for the value of Silver Bullion, as eſtimated at Your Majeſty's Mint, was lower, compared with that of Gold, than the prices at which theſe metals reſpectively ſold in the market. It appears, that from the year 1717 (when Sir Iſaac Newton made his report on the relative value of Gold and Silver, as eſtimated at the Mint, and as ſold at the market) to the year 1760, the quantity of Silver, which had been brought to the Mint to be coined, amounted in value only to 584,575l 14s 11½d; a very ſmall ſupply indeed, for ſo long a period as 43 years, of that ſpecies of Coin which is moſt in currency, and conſequently is moſt expoſed to deficiency by wear, and to loſs by other contingencies.

Though the Gold Coin was in a leſs imperfect ſtate at Your Majeſty's acceſſion to the Throne, it was, even then, on the decline: and this decline increaſed ſo rapidly, that, in the year 1773, the deficiency in weight, of the Gold Coins then in circulation, was become very conſiderable; ſo that, as ſoon as any new Gold Coin was brought from the Mint, theſe perfect pieces were exchanged, or bought up, for

the Mint, to ſhew the deficiency of weight, at thoſe times, of the ſeveral ſorts of Silver Coins. The reſults of theſe experiments will be ſtated hereafter.

the old deficient Coins, and immediately melted down or exported. Indeed, the general deficiency of the Gold Coins in circulation was ſo notorious, that it was eſtimated in all our exchanges with foreign countries; and all payments to ſuch countries were enhanced in proportion to the deficiency of theſe Coins: and ſuch was, at that time, the ſtate of the currency of this country, that there was very little of good or perfect Coin of any metal circulating in it. The evil was ſo great, that Government found it neceſſary to take this difficult ſubject into their immediate conſideration, and to endeavour to apply a remedy to it. On this occaſion I addreſſed a Letter to a Noble Lord, who was then Chancellor of Your Majeſty's Exchequer, ſuggeſting what appeared to me the proper remedy for this evil. I propoſed, that, with a view to the general reform of the Coins of the Realm, all the deficient Gold Coin ſhould, in the firſt place, be called in and recoined;—that a compenſation ſhould be made to the [illegible] this deficient Gold Coin, under certain limits and [illegible]—and that, after this operation had been com[illegible] the currency of the Gold Coin ſhould, in future, be [illegible] by weight as well as by tale, (which was conformable to the ancient laws of this kingdom,) and that the ſeveral pieces ſhould not be legal tenders if they were diminiſhed in weight, or otherwiſe, below a certain weight, to be [illegible] by Your Majeſty's Proclamation. Your Majeſty was graciouſly pleaſed to approve of this advice, and to propoſe to Parliament, on the 13th day of January, 1774, the calling in and recoining all the deficient Gold Coins; and the Chancellor of Your Exchequer opened the whole of this plan to the Houſe of Commons, who approved of the meaſure, which

which was carried into immediate execution, without any complaint, and with great ſucceſs. The defects, which had previouſly exiſted in this ſpecies of Coin, were thereby removed; and the regulation, then eſtabliſhed, of weighing the Gold Coin, has been the means of preſerving it at nearly the ſtate of perfection to which it was then brought. I need not enter into any further detail of the regulations at that time eſtabliſhed; as they will appear in the Acts paſſed, and in the Proclamations iſſued on that occaſion. It is fortunate, that, by this recoinage, the Gold Coin was brought to ſuch a ſtate of perfection, and that ſo little is now left to be performed for its farther improvement; eſpecially at a time when we are under the neceſſity of entering on the more difficult taſk of remedying the deficiencies in the Coins made of other metals.

A difficulty then exiſted, and continues to exiſt, which muſt neceſſarily be removed, before any plan can be adopted for the improvement of the Silver Coin. I have already obſerved, that Gold and Silver, in reference to each other, are eſtimated at Your Majeſty's Mint at a different value or price, than theſe metals are generally ſold for at the market. As long as this difference ſubſiſts, both theſe metals will not be brought, in a ſufficient quantity, to the Mint, to be coined: that metal only will be brought, which is eſtimated at the loweſt value with reference to the other; and Coins of both metals cannot be ſent into circulation at the ſame time, without expoſing the public to a traffic of one ſort of Coin againſt the other; by which the traders in money would make a conſiderable profit, to the great detriment of Your Majeſty's ſubjects. And this

this miſchievous practice, and the frauds committed in carrying it on, are the more to be apprehended in this country, where the Mint is free;—that is, where every one has a right to bring Gold or Silver to the Mint, to be converted into Coin; not at the charge of the perſon who ſo brings it, but of the public: for, ſince the 18th Charles II. ch. 3. the charge of coining Gold and Silver has been born by the public; and, contrary to the practice of moſt other countries, no ſeigneurage has been taken. To prevent this evil, it is neceſſary to determine, whether there muſt not be a ſtandard, or ſuperior Coin, made of one metal only; and whether the Coins made of other metals muſt not be made, and take their value, with reference to this ſtandard Coin, and become ſubſervient to it;—and, in ſuch caſe, of what metal this ſtandard Coin, to which the preeminence and preference are to be given, ſhould be made. Theſe are delicate and very difficult queſtions, which require great conſideration. Many perſons, of acknowledged abilities and great authority, have entertained different opinions on this ſubject. I will not at preſent farther diſcloſe my ſentiments upon it, as a conſiderable portion of what I intend to write will be employed in the diſcuſſion of theſe queſtions; and I wiſh that the opinion which I have formed ſhould appear to be the reſult of the reaſons I ſhall offer, and of the facts which I ſhall ſtate:—conſcious, that any opinion I may deliver cannot derive any weight from my ſingle judgment, in oppoſition to the reſpectable authorities from which I am forced, on this occaſion, to differ.

No farther meaſure was adopted for the improvement of the Coins of the realm, and particularly of the Silver Coin, though

though ſo very defective, for more than twenty years; when, in conſequence of an Addreſs of the Houſe of Commons, recommending a new Copper Coinage, Your Majeſty was pleaſed, by Your Order in Council of the 7th Feb. 1798, to appoint a Committee, who were to take into conſideration the ſtate of the Coins of this kingdom, and the preſent eſtabliſhment and conſtitution of Your Majeſty's Mint; and to propoſe ſuch improvements, in both theſe reſpects, as might appear to them to be neceſſary. Your Majeſty was alſo pleaſed to inſert my name among thoſe members of Your Privy Council who were to form this Committee. Having had ſome experience in a buſineſs of this nature, and having occaſionally reflected upon it, I ventured to open to the Committee, at their firſt meeting, the mode in which I thought they ſhould proceed in the execution of Your Majeſty's commands; and I ſuggeſted the principles, which, in my opinion, ought to be adopted for the further improvement of the Coins of this realm. The Committee made ſome progreſs in their enquiries on this extenſive and difficult ſubject; and, in conformity with the wiſhes of the Houſe of Commons, they eſtabliſhed the principles, on which the Copper Coin ſhould in future be made;—and a certain quantity of Coins, made according to theſe principles, was ſent into circulation, very much to the ſatisfaction of Your Majeſty's ſubjects:—but obſtructions were raiſed, which prevented the completion of this meaſure.—At this period, I was ſeized with a violent diſeaſe, which has now confined me to my houſe, and generally to my couch, for more than four years;—unable to hold a pen, or to turn over the leaves of a book, from which I might derive information. At intervals, however, when I have of late providentially obtained

tained ſome reſpite from pain and extreme weakneſs, I have endeavoured to reviſe ſo much as I had before occaſionally written;—to arrange other materials previouſly collected;—and to reduce the whole to a form not unfit for peruſal. A Treatiſe, written on ſo abſtruſe and complicated a ſubject, by one expoſed to great infirmities, muſt contain ſome repetitions, ſlight inaccuracies, and other imperfections. Arrived as I now am on the verge of life, I haſten to preſent what I have thus written, though not exempt from errors, to Your Majeſty, as my laſt ſervice,—if it ſhall deſerve that name;—in grateful remembrance of the generous protection, which Your Majeſty has never ceaſed to afford me, and of the many and great favours, which You have graciouſly conferred upon me.

This definition of Money, though not always ſo accurately expreſſed, is given by all authors, from Ariſtotle to the preſent time; and there is no need, therefore, of any particular quotation.

The Money or Coin of a country is the ſtandard meaſure, by which the value of all things, bought and ſold, is regulated and aſcertained;—and it is itſelf, at the ſame time, the value, or equivalent, for which goods are exchanged, and in which contracts are generally made payable.—In this laſt reſpect, Money, as a meaſure, differs from all others; and to the combination of the two qualities before defined, which conſtitute the eſſence of Money, the principal difficulties, that attend it, in ſpeculation and practice, both as a meaſure and an equivalent, are to be aſcribed. Theſe two qualities can never be brought perfectly to unite and agree; for if Money were a meaſure alone, and made like all other meaſures of a material of little or no value, it would not anſwer the purpoſe of an equivalent. And if it is made, in order to anſwer the purpoſe of an equivalent, of a material of value, ſubject to frequent variations, according to the price at which ſuch material ſells

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at the market, it fails on that account in the quality of a ſtandard or meaſure, and will not continue to be perfectly uniform and at all times the ſame.

In all civilized nations, Money has been made either of Gold, or Silver, or Copper, frequently of all three, and ſometimes of a metal compoſed of Silver and Copper, in certain proportions, commonly called Billon. It has been found by long experience, and by the concurrent opinion of civilized nations in all ages, that theſe metals, and particularly Gold and Silver, are the fitteſt materials, of which Money can be made. Gold and Silver are perfectly homogeneous in themſelves, for no phyſical difference can be found in any pound of pure Gold, or of pure Silver, whether the production of Europe, Aſia, Africa, or America. They are diviſible with the greateſt accuracy into exact proportions or parts. From their value they are not too bulky for the common purpoſes of exchange; and in all theſe reſpects they ſerve better than any other material, as an equivalent. And laſtly they are leſs conſumable or ſubject to decay, than moſt other commodities.

Certain portions of theſe metals, with an impreſſion ſtruck upon them, by order of the Sovereign, as a guarantee of their purity and weight, ſerve as Coin.

Coins made of Gold, or Silver, or of any other metal, whether conſidered as a meaſure or equivalent, are however ſubject to the following imperfections.

As each of theſe metals varies in its value with reſpect to

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the commodities, for which it is exchanged, ſo it will vary for the ſame reaſon alſo in its value, in ſucceſſive periods, even with reſpect to itſelf; and this variation is occaſioned by the greater or leſs quantity that may happen to be, at different times, in the market, or in circulation. Any given quantity or weight of Gold or Silver is at preſent of much leſs value, than the ſame quantity or weight before the diſcovery of the mines of America. And if any commodity is either manufactured or produced at preſent, in exactly the ſame quantity as it was in the reign of Henry VII. when theſe mines were firſt diſcovered, and the demand for this commodity ſhould be equal, a pound of Gold or Silver will not purchaſe as much of it now, as it would have purchaſed in the former period. Coins are on that account an imperfect meaſure, though they are made of one metal only.

But if Coins are made of two of theſe metals, a ſecond imperfection is then introduced; for any two of theſe metals, in ſucceſſive periods, vary in value with reſpect to each other. The value of fine Gold, compared with that of fine Silver, was rated, in the 43d of Elizabeth, at leſs than 11 to 1, at the Engliſh Mint. But when Guineas were firſt coined in 1663, the value of fine Gold, compared with that of fine Silver, was rated in the Engliſh Mint at $14\frac{311}{682}$ to 1. Guineas were then coined as 20 Shilling Pieces, and declared by the Mint indenture to be current as ſuch. They have ſince been made current by Proclamation as 21 Shilling Pieces. The relative value therefore of fine Gold to fine Silver, in the Coins of this kingdom, is now as $15\frac{2859}{13640}$ to 1. And in the Mints of ſeveral foreign countries, the value of Gold, compared

pared with that of Silver, is rated ſtill higher. Theſe metals will alſo occaſionally vary in their value, even at the ſame time, in different countries; and Exchange Brokers, and many Bankers, are induced, on this account, to carry on a traffic in theſe metals, and in the Coins made of them, to their own profit, and to the loſs of others.

If the Sovereign takes upon himſelf to determine the rate or value, at which Coins made of different metals ſhall at the ſame time paſs in currency, a third imperfection is introduced into the ſyſtem; for it is not poſſible that he ſhould be able to purſue, with ſufficient accuracy, the various fluctuations and changes, that may in a ſhort time happen, in the relative values of theſe different metals. Their prices at the market will therefore frequently differ from the rate, at which he has valued them in his Coins; and when Coins made of different metals are equally legal tender, there will of courſe be two meaſures of property, differing occaſionally from each other. A profit will always in ſuch caſe be made by thoſe who traffic in Coins, by exchanging that Coin, which has the leaſt intrinſic value, for that which has the greateſt. The debtor will find it his intereſt to make his payments in the Coin made of that metal, which is overvalued at the Mint; and ſuch Coins as are made of the metal undervalued at the Mint, will ſoon be melted down and exported.

Another imperfection ariſes from the unequal wear of the Coins made of either of theſe metals; for though the materials, of which they are made, are equally ſubject to diminution, by daily and common uſe, this is not the caſe with any other commodity,

modity, they are ſtill ſubject to it in a certain degree, from friction, and ſometimes from other cauſes. If this diminution is conſiderable, the Money Jobber will avail himſelf of the inequality, to which pieces of Coin of the ſame denomination are, in this reſpect, ſubject; he will collect and convert into Bullion the moſt weighty of them, and make a profit thereby; and thoſe Coins only, which are leſs perfect, will be left in general circulation.

Of the four imperfections before ſtated, the firſt, which ariſes from the variation in the price or value of any one metal, in ſucceſſive periods, with reſpect to itſelf, is ſo inherent in the very ſubject, that it does not admit of a remedy. It produces however leſs inconvenience than either of the other three. It chiefly affects leaſes, contracts, and grants of long continuance. The three other imperfections may in ſome degree be remedied. I ſhall endeavour, in this Letter, humbly to ſubmit to Your Majeſty ſuch principles of Coinage, as will tend in a great meaſure to remedy the ſecond and third of theſe imperfections: and if Your Majeſty ſhall be pleaſed, after full conſideration, to approve of theſe principles, it will be the duty of Your Majeſty's ſervants to propoſe ſuch meaſures as ſhall make all the Coins of this kingdom correſpond in future with theſe principles; and alſo to adviſe Your Majeſty to eſtabliſh ſuch regulations as ſhall remedy, as far as poſſible, the fourth and laſt of the imperfections before ſtated. —Of this laſt point however I ſhall treat more at large in a ſubſequent part of this Letter.

The Money or Coin, which is to be the principal meaſure of

of property, ought to be made of one metal only. Such is the opinion of Sir William Petty, Mr. Locke, Mr. Harris, and of all the eminent writers on Coin. Sir William Petty ſays, that *one* of the metals is the only fit matter for Money. Mr. Locke calls this ſort of Money the Money of Account, or the Meaſure of Commerce or Contracts; and he adds, "that two "metals, ſuch as Gold and Silver, cannot be the meaſure of "commerce both together in any country." Mr. Harris, in his Eſſay on Money and Coins, delivers it as his opinion, that only one metal can be the Money, or ſtandard meaſure of property and commerce in any country; and he calls this ſort of Money *the Standard of Money*. Theſe three authors aſſign their reaſons in ſupport of a principle in which they all concur; their reaſons are, in ſubſtance, the ſame; and are ſo convincing, that the truth of this principle can no longer be controverted. I ſhall be obliged to have recourſe to the reaſons they have offered in ſupport of their opinion, in a future part of this Letter; ſo that it is not neceſſary to detain Your Majeſty by ſtating them at preſent. The truth of this principle in fact reſults from the nature and uſes of Money, as before deſcribed.—The before mentioned writers have aſſigned different names to this ſuperior ſort of Money, or Coins, by which the Coins made of other metals are to be regulated, and to which they are to be ſubſervient. The Coins, which are to be the principal meaſure of property, muſt of courſe be legal tender without limitation. I ſhall call this ſuperior ſort of Money, or Coins, the principal Meaſure of Property, or Standard Coin: and having clearly defined my idea, I conceive I have a right to make uſe of theſe terms in the ſenſe which I have given to them.

Sir Wm. Petty's Political Anatomy of Ireland, ch. 10.

See Mr. Locke's further conſiderations on raiſing the value of Money, Folio edition, 1759. vol. ii. p. 75, 76.

See Mr. Harris's Eſſay on Money and Coins, Part I. ch. 2. ſect. 7.

Certain,

Certain, however, as the principle is, that the Money or Coins of any country, which are to be the principal meaſure of property, can be made of one metal only; the convenience of traffic neceſſarily requires, that in rich and commercial countries, there ſhould be Coins made of ſeveral metals, adapted to the ſeveral ſorts of purchaſes or exchanges, for which they are intended. Coins made of Gold alone, or of Silver alone, in ſuch countries, will not anſwer all the purpoſes of traffic. Coins of Gold are not well adapted for the retail trade, in which ſort of traffic the greateſt number of the ſubjects of every country are principally concerned; and Coins of Silver are too bulky for larger payments, and are, in that reſpect, inconvenient.—It is neceſſary therefore, that in commercial countries there ſhould be Coins made of different metals. And if the Coins, which are the principal meaſure of property and inſtrument of commerce, can only be made of one of theſe metals; the inferior Coins, made of other metals, muſt be legal tender only in a limited degree, as the Sovereign ſhall direct; and ſo far only they are the meaſure of property: and if they are accepted in payment for a larger ſum, with the conſent of the receiver, (as may ſometimes be the caſe,) they may then be ſaid to be the repreſentatives of the Coins which are the principal meaſure of property[a], and their value muſt be made to correſpond with it, as accurately as the nature of

[a] Such has been from the beginning the ſtate of our legal Copper Coins, and it continues to be ſo at preſent: and ſuch has alſo been the ſtate of our preſent deficient Silver Coins, conſidered as Coins, from the paſſing of the Act of 14 Geo. III. ch. 42. All this will be further explained hereafter. So that this principle has already been approved by the Legiſlature, though it has not been carried to its proper extent.

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the ſubject will admit. It is by adopting this rule, or principle, that the ſecond and third of the imperfections before ſtated will be avoided, or at leaſt the ill effects reſulting from them will be diminiſhed as much as poſſible. This is the higheſt ſtate of perfection, to which any ſyſtem of Coinage can, in my opinion, be brought; and it is ſufficiently perfect to anſwer all the purpoſes of exchange, and commercial intercourſe. But it muſt be confeſſed, that, notwithſtanding all the endeavours of men of the greateſt talents, and moſt acute underſtandings, ſuch is the nature of this buſineſs, that abſolute perfection and complete accuracy, in practice at leaſt, cannot be attained.

Mr. Locke, who thought that Silver Coins were the only Money of account or meaſure of property, was of opinion, that Coins of Gold might be left to take their rate or value according to the relative price of Gold to Silver at the market;—and he was led to form this opinion, from obſerving, that in his time, Guineas, and other Gold Coins, had taken their relative value in this manner, and paſſed in currency accordingly. But finding afterwards that theſe Gold Coins had riſen in their value, compared with the defective Silver Coins then in circulation, to an extravagant rate, he ſo far changed his former opinion, as to acknowledge "that Gold Coin may "ſafely have a price as well as ſtamp ſet upon them by pub-"lic authority, ſo that the value be ſet under the market "price."—And the Legiſlature of this kingdom acted in conformity to this opinion, when, in the reign of King William, they limited the value of Guineas by two different Acts, ſo that they ſhould not paſs in currency *above* a certain value therein

See Mr. Locke's Treatiſe above mentioned.

therein deſcribed. They left them however to be exchanged at any rate *under* the limited value; and as the Gold Coin had riſen to an extravagant value, while the Recoinage of the Silver Coins was under conſideration, it actually happened, that when this Recoinage was completed, Guineas fell in their rate or value below the value limited in theſe Acts, without any interpoſition of public authority. But Mr. Harris differed in this reſpect from the opinion of Mr. Locke. He thought that the regulation of the value of Coins, that is, the nominal value at which they were to be legal tender, was a ſubject of too much importance to be entruſted, at any time, to private judgment: and it is certain, that there has generally been a clauſe in the Mint indentures of Your Majeſty, and all Your predeceſſors, declaring at what nominal rate or value the Coins therein directed to be made, ſhould be current. It is indeed hardly poſſible, that the people in general, particularly thoſe of an inferior claſs, ſhould be able to exerciſe any true judgment on the intrinſic or relative value of the metals, of which any Coins are compoſed; and if they were to attempt to exerciſe ſuch judgment, they would be expoſed to perpetual frauds and impoſitions from Money Jobbers and others, who underſtand this buſineſs better than themſelves. The practice of all governments in every age has coincided with the opinion of Mr. Harris; and experience has evinced the neceſſity of fixing, by public authority, the rate or value of Coins of every denomination, permitted to be current as lawful Money, or legal tender.

See Mr. Harris's Eſſay above mentioned, Note, p. 64.

The Coins of every kingdom or ſtate are the meaſure of property and commerce, within every ſuch kingdom or ſtate, according

according to the nominal value declared, and authoriſed by the Sovereign, ſo far as they are made legal tender.

In exchanges with foreign countries, and in payments made to them, the intrinſic value of the metal, of which the Coin is made, is the only meaſure of property and commerce; becauſe the authority of Sovereigns cannot extend to regulate payments made in foreign countries, where they have no power or juriſdiction.

It follows, from what has juſt been ſaid, that it is neceſſary in this place to ſtate, by what authority, and in what manner, Coins are made current at a certain rate or value, and become in that reſpect legal tender, particularly within theſe Your Majeſty's dominions.

There is no doubt, that the Sovereigns of moſt of the kingdoms and ſtates of Europe have enjoyed and exerciſed, from time immemorial, the right of declaring at what rate or value the Coins of every denomination, permitted to be current in their reſpective dominions, ſhall paſs, and become, in that reſpect, lawful Coins, or legal tender. In this Your Majeſty's kingdom, Your royal Predeceſſors have always enjoyed and exerciſed this right. Sir Matthew Hale reckons this right *inter Jura Majeſtatis*, and ſays, that it is an unqueſtionable prerogative of the Crown; and he treats with great ability of the nature and extent of this prerogative. In very ancient times, ſome of the powerful and rebellious Barons appear to have aſſumed this right contrary to law, "which," as Sir Matthew Hale obſerves, "occaſioned great confuſion and corruption in Money

See Sir Matt. Hale's Pleas of the Crown, vol. i. ch. 17. and Sir John Davis's Caſe of mixed Monies.

See Hoveden ſub anno 1149. Sir M. Hale, p. 199. and Wilkins's Laws of Henry II. p. 320.

" and Commerce;" and he adds, that Henry II. coming to the crown reformed this uſurpation and abuſe:—in the articles of peace between Stephen and Henry, there was one, which required, that the Silver Coin[a] ſhould be one and the ſame throughout the kingdom. In times leſs ancient, the Monarchs of this kingdom have occaſionally conferred this right by ſpecial charters on divers eccleſiaſtical corporations, ſuch as the Archbiſhops of Canterbury and York, the Biſhop of Durham, &c. and on ſome of the moſt dignified Abbots. But Sir Matthew Hale adds, "that they had only the profit of " Coinage and the reſidence of ſome moneyers at their cities, " &c.—and that they had not the power of inſtituting either " the alloy, the denomination, or the ſtamp." The ſtamps were uſually ſent to them by the Treaſurer and Barons of the Exchequer, by the King's command under his Great Seal; and the maſters of theſe Mints, or the chief officers employed therein, were ſworn to the King for the juſt execution of their offices. It appears, from the Coins made in theſe Mints, which have been preſerved, that they were in general of the ſmaller denominations; and it is probable that the right of coining, which was given to them by theſe charters, was reſtrained to pieces of this deſcription: but the practice of devolving this right of coining Gold and Silver to the corporations before mentioned, has never been exerciſed ſince the reign of Edward VI.

Mat. Paris, p. 159.

See a Charter of King John allowing this privilege to Hubert, Archbiſhop of Canterbury. Will. Leg. Johannis, p. 355.

The Kings of this realm had frequently Mints of their own, not only in London, but in Southwark, Calais, Briſtol,

[a] There was at this time probably no Gold Coin in currency; at leaſt, none that was made at the Engliſh Mint.

Hull,

Hull, Dublin, and many other cities and towns of England and Ireland; but theſe were all Royal Mints, and under the immediate management and direction of the King's officers.

The right of ſetting a rate, or nominal value, on Coins authoriſed to be current, has been exerciſed by the Kings of this realm in two ways:

Firſt. By their Mint indentures, in which a clauſe is inſerted, declaring, at what rate or nominal value the Coins, therein ordered to be made, ſhall be current.

Secondly. By Proclamation.

Sir M. Hale inclines to think, that proclamations are not abſolutely neceſſary to legitimate any Coin made at the Mint, or to make it current; but that the Mint indenture, or general uſage, is in this reſpect ſufficient evidence, except in the following caſes:

Firſt. To legitimate or make current baſe Coin, or ſuch as is below the ſtandard of ſterling. He obſerves, that a proclamation is in this caſe neceſſary, in order to diſpenſe with the proviſions of the ſtatute of 25 Ed. III. ch. 13. and the 9 Henry V. Seſſion 2. ch. 6.[a]

[a] Sir William Blackſtone is of opinion, that by the ſtatute of 25 Ed. III. ch. 13. the King's prerogative ſeemeth not to extend to the debaſing or enhancing the value of the Coin below or above the ſterling value. He acknowledges, however, that Sir Matthew Hale appears to be of another opi-

Secondly. To raiſe any Coin already in currency to a higher denomination or extrinſic value.

Thirdly. To decry any Money already current, that is, either to reject it wholly out of circulation, or to make it paſs at a leſs rate or value than that, at which it has hitherto been current. In conformity to this rule, a proclamation was iſſued on the 17th day of December, 1717, reducing the value of Guineas from 21s 6d to 21s: and there are many other inſtances of the ſame kind in preceding periods.

Fourthly. To make foreign Coin current at a determined rate or value.

The reaſons, which make proclamations neceſſary in the two laſt inſtances, are ſo evident, that there is no occaſion to ſtate them.

In conſequence of the great confuſion introduced into the ſyſtem of our Coins by the frequent debaſements and altera-

nion. But if this opinion of Sir William Blackſtone is true, the King is alſo reſtrained, by the ſame ſtatute, from diminiſhing the weight of his Gold or Silver Money. It will be ſeen, in the ſubſequent parts of this Letter, whether this interpretation of the ſtatute was ever thought to be well founded. The Gold of all the Gold Coins now circulating in the kingdom has more alloy in it, and conſequently is of a baſer ſtandard, than in 25 Ed. III. Blackſtone's Commentaries, book i. ch. 7.—What is called in the text the 9 Henry V. is, in Sir Matthew Hale's Pleas of the Crown, ſaid to be the 4th Henry V. ch. 6. which laſt ſtatute has no relation to this ſubject: and this miſtake is probably owing to the copyiſts or printers of Sir Matthew Hale's work.

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tions, that were made in them during the latter part of the reign of Henry VIII. and the reign of Edward VI. a new practice was introduced in the firſt year of Ed. VI. of notifying to the public the rate or value of ſome of our Silver Coins, by placing on the face of them figures, denoting at what rate, or value, they ſhould be taken in payment. The variety of Silver Coins, then in circulation, of the ſame denominations, though of different intrinſic values, made it highly convenient that the people ſhould in this manner be appriſed of the rate, or value, at which the Sovereign intended that they ſhould be current. This practice continued in uſe in ſome of the ſubſequent reigns, but not in that of Elizabeth (none of whoſe Coins have any ſuch figure upon them): and the ſame practice of placing figures on ſome of our Gold Coins, to denote the nominal value at which they ſhould be current, was firſt introduced in the beginning of the reign of James I. But this manner of aſcertaining the nominal value of our Coins has been diſcontinued for about a century paſt, except in ſmall Silver Coins, under the value of a Sixpence, which ſtill have figures denoting the rate, at which they are to paſs, on the reverſe of them. It may yet be doubted, whether this method of aſcertaining the nominal value of Coins would, in the ſenſe of Sir Matthew Hale, legitimate theſe Coins, eſpecially as he wrote when this practice ſtill ſubſiſted, and makes no mention of it. It is however certainly a proof of the intention of the Sovereign in this reſpect, and might be left to the deciſion of a jury in any litigated queſtion.

This great prerogative, however, which the Kings of this realm have immemorially enjoyed and exerciſed, of giving cur-

currency to the Coins made at their Mint, and ſometimes to foreign Coins, at a determinate rate or value, and of enhancing them and debaſing them at their pleaſure, is of ſo important and delicate a nature, and the juſtice and honour of the Sovereign, as well as the intereſts of his people, are ſo deeply concerned in it, that it ought to be exerciſed with the greateſt judgment and diſcretion. It appears from the ancient hiſtories and chronicles of this country, that very ſerious evils have occaſionally reſulted from the abuſe of it; and Parliament has frequently complained of theſe abuſes, and has ſometimes endeavoured, on that account, to reſtrain this branch of the prerogative: for in the 5th Ed. II. it was provided by the Lords Ordainers, (perſons, who at that time were intruſted with the government of the kingdom,) that no change ſhould be made in the Coin of this realm, without the conſent of the Barons in Parliament; but this, among other regulations made by theſe Lords Ordainers, was repealed in a ſubſequent year of this King's reign. Another attempt was made by the Commons in the 20th Ed. III. to reſtrain this prerogative; but Edward III. fruſtrated their requeſt, by returning an evaſive anſwer to their petition. The frequent debaſements, made by this Monarch in his Coins, induced the Commons, in the 25th year of his reign, to make a further attempt; and they petitioned that the Money of Gold and Silver then current ſhould not be impaired in weight, or alloy. The anſwer returned to this petition was a promiſe on the part of the King, "that as ſoon as a good way could be "found, the Money of Gold and Silver ſhould be put into its "ancient ſtate." In imitation of this Monarch, the Kings of this realm, in ſucceeding periods, very frequently exerciſed this

this prerogative, as will be ſhewn in the ſubſequent parts of this Letter; and this prerogative was at length recognized and confirmed by an Act of Parliament paſſed in the 19th Henry VII. ch. 5. by which it was enacted, that all Gold and Silver Coins "ſhall be current for the ſum that they were coined "for;" and by an Act paſſed in the 5th and 6th years of Edw. VI. ch. 19. by which it was enacted, that, "if any per- "ſon exchanged any coined Gold, or coined Silver, receiving "or paying any more in value, than the ſame is, or ſhall be "declared by His Majeſty's Proclamation to be, current for, "within His Majeſty's dominions, the ſame ſhall be forfeited," and the perſons ſo offending ſhall be puniſhed in the manner therein directed[a].

Such is the hiſtory of the law of this kingdom, with reference to the prerogative exerciſed by Your royal Predeceſſors in the regulation of their Coins; and ſuch was the extent of this prerogative, as ſtated by Sir Matthew Hale, when he wrote his Hiſtory of the Pleas of the Crown. Previous to that period, ſeveral ſtatutes were paſſed, eſtabliſhing regulations with reſpect to the royal Mints, and requiring that the Coins iſſued from them ſhould be of due weight; but not one, that took from the Sovereign the right of giving to the Coins, circulating in his dominions, their denominative value. In what reſpects the Legiſlature has thought fit to limit the exer-

[a] In a ſubſequent period, that is, in the 6th and 7th William III. ch. 17. this prerogative is farther confirmed and acknowledged, by enacting additional penalties againſt thoſe "who ſhall receive or pay any unclipped Silver "Money, of the Coin of this kingdom, for more than in tale it was coined "for, and ought by law to go for."

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ciſe of this prerogative, ſince the death of that great lawyer, will be ſhewn hereafter.

Though this great prerogative is, however, unqueſtionable, it is certainly adviſeable, that in the exerciſe of it, whenever any great change is intended to be made, the King ſhould avail himſelf of the wiſdom and ſupport of his Parliament. Sir Matthew Hale obſerves, that it is neither ſafe, nor honourable, for the King to imbaſe his Coin below ſterling; "if it be "at any time done, it is fit to be done by the aſſent of Parlia- "ment;" and he concludes, that, on ſuch occaſions, "*fieri* "*non debuit, factum valet.*"—It has happened, that, ſince the Revolution, the Kings of this realm have occaſionally exerciſed this prerogative, on ſmaller occaſions, without conſulting the two Houſes of Parliament: yet, on greater occaſions, ſuch as a general Recoinage, they have always thought it right to avail themſelves of their advice and ſupport.

See Sir Matthew Hale's Pleas of the Crown, vol. i. p. 194. ed. folio.

It will be proper now to give Your Majeſty ſome account, in a ſhort hiſtory of the Coins of this realm, of the manner, in which Your royal Predeceſſors have exerciſed this great prerogative.—Many writers of acknowledged abilities have treated of the principles of Coinage, and have certainly thrown great light on the ſubject; but they have founded their ſyſtems too much on principles merely ſpeculative, and have not ſufficiently adverted to many facts, with which the hiſtory of this and many other countries would have furniſhed them. By theſe they would have learnt to correct the errors they have ſometimes committed, and they would have applied their principles with more certainty, and better ſucceſs. It

cannot

cannot be denied, that in all the affairs of life, particularly ſuch as relate to the private concerns of a whole people, experience is the ſureſt guide. In ſuch tranſactions there are little circumſtances, with which the merely ſpeculative man is wholly unacquainted. Theſe can be learnt only from experience; and, if proper attention be not paid to them, they will occaſionally defeat the advantages expected to be derived from the wiſeſt ſyſtem founded on ſpeculation alone. Mr. Locke became ſenſible, that, by truſting ſolely to ſpeculation, he had, at leaſt in one inſtance, been led into an error. To avoid, therefore, errors of this nature, I not only intend to treat of the ſubject of Coinage in a ſpeculative view, but I ſhall endeavour to eſtabliſh the opinions which I may advance, by a diſcreet reference to facts, and by adverting to many circumſtances, which have occurred in the hiſtory of the Coins of this kingdom. In purſuing this plan, I ſhall be obliged to take a larger range, and to lay before Your Majeſty ſome account of the Coins of the realm from an early period, and of the alterations and debaſements, that, from time to time, have been made in them, as well as the motives, which induced preceding Monarchs to authoriſe theſe alterations and debaſements, and the conſequences, ſalutary or miſchievous, that reſulted from them. I am ſenſible that I ſhall thereby be obliged to extend this Letter to a greater length than I could wiſh. If however I ſhould have the good fortune to place this ſubject in a clear and ſatisfactory light, ſo as to enable Your Majeſty to form a more correct and ſafer judgment on the improvements neceſſary to be made in the Coins of Your kingdom; I am induced to hope, that You will condeſcend to pardon the length of this Letter, and not

think the time wholly miſemployed, which may be neceſſary for the peruſal of it.

To elucidate what I have to offer, I will begin by ſtating, as correctly as I am able, what was the ſtandard or fineneſs of the metals, of which theſe Coins were made, in ſucceſſive periods.

The true Engliſh ſtandard of the Silver, of which our Coins were made, was 11 oz. 2 dwts. fine, and 18 dwts. alloy. This is called the old ſtandard, or the ſtandard of the old Sterling. It is the more general opinion, that this was the ſtandard of the Silver Coins made in the reign of William I. The principal Engliſh writers on Coins, who muſt be ſuppoſed to have aſſayed the Coins made in thoſe ancient times, and ſtill preſerved in the cabinets of thoſe who have collected them, are of this opinion: there are, however, ſome lawyers and antiquaries, who expreſs doubts on this ſubject, and infer, from ancient records, that, previous to the reign of Edward I. Silver Coins were occaſionally made of a different ſtandard, ſometimes better, and ſometimes worſe. But it is probable, that ſuch of theſe Coins as were of a more debaſed ſtandard (if any ſuch ever exiſted) were made contrary to law, by the rebellious Barons, or by others, who abuſed the privilege granted to them by their Sovereigns, of having Mints within their reſpective juriſdictions; for it appears, by an ordinance of Hen. II. which he publiſhed in his Duchy of Normandy, in the year 1158; and by various other French records, publiſhed by Monſ. le Blanc, in his Traité Hiſtorique des Monnoies de France, that the Engliſh Silver Pennies, then called Eſterlings,

Vide Le Blanc, p. 166.

or

or Sterlings, were eſtimated by foreign nations, from the year laſt mentioned, and for more than a century ſubſequent thereto, to be equal to a pennyweight of Silver, of the fineneſs or ſtandard before mentioned: and it is certain, that in the 28th year of the reign of Edward I. an indented Trial Piece, of the fineneſs of 11 oz. 2 dwts. fine, and 18 dwts. alloy, was lodged in the Exchequer. This indented Trial Piece was at that time ſaid to be of the *old ſtandard*, which clearly proves, that ſuch muſt have been conſidered as the ſtandard of our Silver Coins, for a long time before. There is no doubt, that, from the 28th year of Edward I. all our Silver Coins have been made of this ſtandard, except for a ſhort period of ſixteen years, from the 34th Henry VIII. to the 2d Elizabeth.

When Gold Coins were firſt made at the Engliſh Mint, the ſtandard of the Gold put into them was of 23 carats 3½ grains fine, and ½ grain of alloy; and it ſo continued, without any variation, to the 18th Henry VIII. who in that year firſt introduced a new ſtandard of Gold of 22 carats fine, and 2 carats alloy, of which he made ſome of his Gold Coins. The firſt of theſe ſtandards was called the old ſtandard; the ſecond was called the new ſtandard, or Crown Gold, becauſe Crowns, or Pieces of the value of five Shillings, were firſt coined of this new ſtandard.

Henry VIII. made his Gold Coins of both theſe ſtandards, under different denominations; and this practice was continued by his Succeſſors to the year 1603, that is, the 15th Charles II. From that period to the preſent time, the Gold, of which the Coins of this kingdom have been made, has

been invariably of the new ſtandard, anciently called Crown Gold; though ſome of the Coins made of the old ſtandard, previous to that period, continued to be current till the year 1732, when, by proclamation, they were forbidden to be any longer current.

It will enable Your Majeſty the better to underſtand the changes, that have taken place in the Coins of the realm, if I give, in the next place, an account of the weights made uſe of at the Mint, for the purpoſe of weighing and regulating theſe Coins.

See Martin Folkes's Table of Engliſh Silver and Gold Coins, p. 3. Clarke on Coins, p. 15.

The Pound weight, which was made uſe of in the Mints of this realm, till the [a] 18th Henry VIII. for weighing Gold and Silver, was the Tower Pound, or what is called the Moneyers Pound; it was lighter than the Pound Troy, by three quarters of an ounce Troy. It is certain, that this Tower Pound is the ſame that had been uſed by our Saxon anceſtors

[a] Mr. Clarke contends, that the Tower Pound was changed for the Troy Pound, in the 12th Henry VII. and he quotes a ſtatute of that year in confirmation of it. This ſtatute, as well as a preceding one, to which it refers, does not appear to me to introduce any new weights, but only to regulate the exiſting ones, which had been made in a very imperfect manner; and, for that purpoſe, orders accurate ſpecimens to be ſent to every city and great town. I have adhered therefore to Mr. Folkes's deciſion on this point, (which indeed is of no great importance) as his reaſons appear to me to be ſufficiently convincing. If the Tower Pound, which had been in uſe at the Mint for many centuries, and preſerved there with great care, had then been changed for the Troy Pound, it ſhould have been expreſsly ſaid ſo in the ſtatute, as it is in the verdict relating to the Coinage of the 30th Oct. 18 Henry VIII. which is preſerved in the Exchequer.

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in weighing the precious metals; and nearly the ſame that was made uſe of, for the ſame purpoſe, in the principal cities of Germany: this Pound was called by French writers the Rochelle Pound[a]. Henry VIII. in the 18th year of his reign forbade the uſe of the Tower Pound in his Mint, and introduced the Troy Pound in its ſtead, which has continued to be uſed there ever ſince.

At the acceſſion of William I. to the throne of England, the Pound in tale of the Silver Coins current in this kingdom was equal to the Pound weight of ſtandard Silver, that is, the Tower Pound before mentioned. The Pound in tale was divided into twenty Shillings, and each Shilling into twelve Pence or Sterlings. The Pound weight was divided into twelve ounces, and each ounce into twenty pennyweights; ſo that each Penny or Sterling weighed one pennyweight or twenty-four grains. The only Coins made in this early period were Pennies or Sterlings. This ſimple ſyſtem of Coinage, by which the Pound in tale was made equal to the Pound in weight, and was divided in the manner before mentioned, is ſuppoſed to have been firſt introduced by Charlemagne into France and his other extenſive dominions, towards the end of the eighth century. It might have been introduced from thence into this iſland in the time of our Saxon anceſtors, by the influence of the Norman Princes, who had a conſiderable connection with this kingdom, before William, Duke of Nor- See Le Blanc p. 93. et ſeq.

[a] It is natural to conclude, that the Engliſh Pound and the Rochelle Pound might be the ſame; for, in ancient times, the city of Rochelle was, for a long period, under the dominion of the Engliſh Princes.

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mandy, took poſſeſſion of the throne. The ſyſtem of Coinage, thus deſcribed, continued without any alteration in the weight of our Silver Monies till the 28th of Edward I. It is true, that Half Pennies, then frequently called Mailles, as well as Farthings, were introduced by Henry I. Pennies however were ſtill, during the whole of this period, the higheſt denomination of our Silver Coins.

Edward I. in his 28th year, firſt debaſed our Silver Coins.

Before I proceed to give an account of the ſucceſſive debaſements, made in our Coins, it is proper to obſerve, that Coins may be debaſed in three different ways.

Firſt, By diminiſhing the quantity or weight of the metal of a certain ſtandard, of which any Coin of a given denomination is made.

Secondly, By raiſing the nominal value of Coins of a given weight, and made of a metal of a certain ſtandard; that is, by making them current, or legal tender, at a higher rate, than that at which they paſſed before.

Thirdly, By lowering the ſtandard or fineneſs of the metal, of which Coins of a given weight and denomination are made; that is, by diminiſhing the quantity of pure metal, and proportionally increaſing the quantity of alloy.

I ſhall be enabled to ſtate in a clearer light the ſucceſſive debaſements made in the Coins of this realm, if I arrange them,

them, in conformity to the different manners of debaſing Coins before ſtated, under the following heads.

Firſt, The alterations and debaſements made in the Silver Coins of this realm, by diminiſhing the quantity or weight of ſtandard Silver put into them. The Silver Coins have always been debaſed in this manner, except in the ſhort period of nine years, from the 34th Henry VIII. to the 6th Edward VI.

Secondly, The alterations and debaſements made in the Gold Coins of this realm, either by diminiſhing the quantity or weight of the Gold put into them, or by raiſing the nominal value of the exiſting Coins, in order to preſerve the relative proportion or value of the Gold Coins with that of the Silver Coins current at ſucceſſive periods. The Gold Coins of the realm have been debaſed in both theſe manners, but more frequently in the latter.

Thirdly, I ſhall reſerve for a diſtinct head an account of the extraordinary and violent alterations and debaſements, that were made in the Coins of this realm, particularly by lowering the ſtandard of the metal put into the Silver Coins, during the ſhort period before mentioned. At the end of that period, a reformation of the Coins of the realm, from the late unexampled debaſements, commenced, though it was not completed, and though the old ſtandard of the Silver put into our Coins was not perfectly reſtored till the 2d Elizabeth. The various and violent proceedings, which took place from the 34th Henry VIII. to the 6th Edyard VI. may be conſidered

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as a ſort of convulſion in the monetary ſyſtem, and proper therefore for a ſeparate head.

It is neceſſary, in calculating theſe debaſements, to adhere to one and the ſame weight; and as the Tower Pound was the longeſt in uſe, I ſhall make my calculations according to the Tower Pound.

It has already been ſtated, that Edward I. in the 28th year of his reign, firſt debaſed the Silver Coins of this realm.

In this year he diminiſhed the quantity or weight of Sterling Silver, in the Silver Coins of the ſeveral denominations made at his Mint. He coined the Pound weight of Sterling Silver into twenty Shillings and three Pence in tale; ſo that the Pound Sterling in tale was thereby debaſed $1\frac{1}{81}$ per cent.

This King firſt coined Silver Groats of the value of four Pennies, which took the name of Groats from their being larger Coins, than any that had yet been made. The Groats coined by this Prince were but few; and this denomination of Money did not become generally current till the reign of Edward III.

The ſecond debaſement of our Silver Coins was in the 18th Edward III. who then coined the Tower Pound of Sterling Silver into twenty-two Shillings and two Pence in tale; and the Pound Sterling in tale was thereby further debaſed $8\frac{5816}{10773}$ per cent.

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The third debaſement of our Silver Coins was in the *20th year of the ſame King, who then coined the Tower Pound of Sterling Silver into twenty-two Shillings and ſix Pence in tale; and the Pound Sterling in tale was thereby further debaſed $1\frac{403}{1197}$ per cent.

The fourth debaſement of our Silver Coins was in the 27th year of this King, who then coined the Tower Pound of Sterling Silver into twenty-five Shillings in tale; and the Pound Sterling in tale was thereby further debaſed $8\frac{8}{9}$ per cent.

The fifth debaſement of our Silver Coins was in the 13th Henry IV. who then coined the Tower Pound of Sterling Silver into thirty Shillings in tale; and the Pound Sterling in tale was thereby further debaſed $13\frac{1}{3}$ per cent.

The ſixth debaſement of our Silver Coins was in the 4th of Edward IV. who then coined the Tower Pound of Sterling Silver into thirty-ſeven Shillings and ſix Pence in tale; and the Pound Sterling in tale was thereby further debaſed $13\frac{1}{3}$ per cent.

Henry VII. who made no change in the weight of his Silver Coins, firſt coined Shillings, which had before been only a Money of Account. Shillings however did not become gene-

* Stow imputes this debaſement to the advice of William Edington, Biſhop of Wincheſter, and Treaſurer of England. He calls him a perſon "loving "the King's commoditie more than the wealth of the realme and common "people," and adds, that "victuals and merchandiſe became dearer through "the whole realme."

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rally current till the reign of his ſucceſſor Henry VIII. and they were then commonly called Teſtons.

The ſeventh debaſement of our Silver Coins was in the 18th year of Henry VIII. who then coined the Pound Troy of Sterling Silver into forty-five Shillings, or according to the Tower Pound into 42s $2\frac{1}{4}$d; and the Pound Sterling in tale was thereby further debaſed $5\frac{25}{27}$ per cent.

This King firſt coined Crown Pieces of Silver of the nominal value of five Shillings; but it is ſuppoſed that he made but few of them, and that they did not become generally current till the reign of Queen Mary.

In the reign of Queen Mary Silver Half Crowns were firſt coined, and Silver Crowns became generally current.

The eighth debaſement, of which I ſhall take notice under this head, was in the 2d year of Queen Elizabeth. Of the great and extraordinary debaſements in the ſtandard of the metal of which our Coins were made, between the 18th Henry VIII. and the 6th Edward VI. as well as of the proceedings for the reformation of the Coin in the laſt year of the reign of Edward VI. and alſo during the whole of the reign of Queen Mary to the 2d of Elizabeth, I ſhall give a ſeparate account hereafter.

Queen Elizabeth, in the ſecond year of her reign, reſtored the Silver Coins of her realm to the ſtandard of old Sterling, and ſhe coined the Pound Troy of Sterling Silver into ſixty Shillings

Shillings in tale, or according to the Tower Pound into 56s 3d; and the Pound Sterling in tale, compared with what it had been in the 18th Henry VIII. was thereby further debaſed $11\frac{23}{27}$ per cent.

The ninth and laſt debaſement of our Silver Coins was in the 43d Elizabeth, who then coined the Pound Troy of Sterling Silver into ſixty-two Shillings, or according to the Tower Pound into 58s $1\frac{1}{2}$d; and the Pound Sterling in tale was thereby further debaſed $1\frac{41}{279}$ per cent.

The total of the debaſements from the 1ſt William I. when the Tower Pound in weight and the Pound in tale were the ſame, was now $\frac{6100}{93}$ or $65\frac{55}{93}$ per cent.

So that the value of a Pound in tale is now leſs than it was in the 1ſt of William I. in the ratio of $\frac{32}{93}$ to 1, or 32 to 93.

It appears, from the hiſtory of this country, that other propoſals for debaſing the Silver Coins of the realm were under conſideration, but were never carried into execution. In the year 1561, the 3d Elizabeth, many of the miniſters of this Queen adviſed her Majeſty to make a new debaſement in theſe Coins; but the Lord Treaſurer Burleigh oppoſed this meaſure, and prevented it; and he reſiſted with ſpirit every attempt of the like nature, as long as he continued in power. After his deceaſe, Queen Elizabeth was induced, in the 43d year of her reign, to make the ninth and laſt debaſement of the Silver Coins, as before ſtated.

See Sir Robert Cotton's poſthumous Works, p. 197.

In 1612, the 9th James I. a propoſition was made for debaſing the Silver Coins, by coining Silver at 10 oz. 10 dwts. fine, and by cutting the Pound Troy into 64 Shillings. Another propoſition was made in the ſame year for debaſing the Silver Coins, by cutting a Pound Troy of ſtandard Silver into 64 Shillings. And in 1619, the 16th James I. directions were actually given to the Attorney General to prepare new indentures, by which the Pound Troy of ſtandard Silver ſhould be coined into 66 Shillings; but theſe directions were ſoon afterwards recalled; and by the advice of eminent merchants, as well as of the Officers of the Mint, and occaſionally of Sir Francis Bacon, afterwards Lord Verulam, all theſe propoſals were rejected.

In 1627, the 2d year of the reign of Charles I. another propoſition was made for debaſing the Silver Coins, by cutting the Pound Troy of ſtandard Silver into 70 Shillings and 6 Pence. On which occaſion, Sir Robert Cotton made the famous ſpeech publiſhed in his poſthumous Works againſt the debaſement of the Silver Coin, which has been attributed to Sir Thomas Roe. And in 1640, the 15th Charles I. other propoſals were made for debaſing the Silver Coin, by diminiſhing the quantity of pure Silver put into theſe Coins, and proportionally increaſing the alloy; but all theſe propoſitions were rejected.

See Sir Robert Cotton's poſthumous Works, p. 263.

The propoſition of Mr. Lowndes for debaſing the Silver Coins, in his Report to the Lords of the Treaſury in 1695, in which he recommends, that the Pound Troy of ſtandard Silver ſhould be coined into 77s 6d, is well known. It was reſiſted

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by Mr. Locke in his Treatiſe, intituled, "Further Conſidera-
"tions concerning raiſing the value of Money." Some of the members of the Government at that time are ſuppoſed to have favoured this propoſition; but King William and his Parliament rejected it.

I will, in the next place, proceed to the ſecond head, under which I have arranged the alterations and debaſements made in the Coins of this realm. The alterations, under this head, were practiſed on our Gold Coins; and in two different ways; ſometimes, by diminiſhing the quantity of Gold put into the current Gold Coins of a given denomination; but more frequently, by raiſing the nominal value of theſe Coins, with an evident intention of preſerving a proportionate value between them and the Silver Coins intended to be current, according to the relative value of Gold to Silver at the market in each reſpective period.

It is not neceſſary on this occaſion to ſay any thing on the queſtion, ſo much agitated by antiquaries, whether any, and what Coins of Gold were made by the Britiſh or Saxon Monarchs of this country, at their Mints. It is probable that, in times of peace and proſperity, ſome Gold Coins might occaſionally have been made by the Monarchs of theſe two races; but after the kingdom had been waſted and reduced to a ſtate of the greateſt poverty by the ſucceſſive invaſions of the Saxons and Danes, there appears to have been an interval of many years, in which no Gold Coins were made at any Mint in this country. And as far as any diſcovery has hitherto been made, it is certain, that no ſuch Coins were ſtruck at the

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Engliſh Mint from the 1ſt William I. to the 41ſt year of Henry III. that is, during a period of one hundred and ninety-one years.

It was generally believed till the year 1732, that Edward III. was the firſt of the Engliſh Kings who coined at their Mints any Gold Coins: but in a manuſcript preſerved in the Archives of the city of London, it was then diſcovered, that Henry III. in the latter part of his reign, that is, in his 41ſt year, made what was called a Penny of fine Gold, weighing two Sterlings, or the 120th part of the Tower Pound; which Gold Penny was to paſs for twenty Sterlings or Silver Pennies in tale; and this information has ſince been confirmed by the diſcovery of an original precept, directed to the Mayor and Sheriffs of the City of London, to enforce the currency of this Gold Money, and by ſeveral liberates, in which theſe Gold Pennies are mentioned, among the records in the Tower. Theſe Gold Coins were called Pennies, becauſe the word Penny, or, in the French language, *Denier*, was in theſe early times the common term for Money in general, of whatever metal it might be made: and the French King St. Lewis, who was cotemporary with Henry III. firſt made a Gold Coin, which was called *Denier à l'Aignel*, the figure of a lamb or ſheep being impreſſed upon it. It is probable however, that theſe Gold Pennies were not coined by Henry III. in any great number: one only ſpecimen of his Gold Coins has yet been diſcovered. It is certain that the citizens of London made repreſentations againſt theſe Gold Coins very ſoon after they were firſt iſſued; and the King put forth a proclamation, declaring that nobody was obliged to take them, and whoever

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chose to receive them in payment might bring them to his Exchange, and receive there the value, at which each had been made current; but half a Sterling, or the value of half a Silver Penny, was to be deducted, probably to compensate the charge of Coinage. From these circumstances it may be inferred, that these Gold Pennies did not then get into general circulation. There is hitherto no evidence, that the two immediate successors of this King, that is, either Edward I. or Edward II. ever made any Gold Coins at their Mints. It is not indeed surprising, that in these early times no Gold should have been coined at the English Mint. In the reigns of Wil- during a great part of the reign of Henry I. the King's rents, arising from his demesnes, (which were at that time the principal part of the Royal revenue), though reserved in Money, were answered in Provisions, and other provisions, "because Money was then scarce "among the people." The rents of private landholders continued to be paid in kind to a still later period. The commerce of the country, whether foreign or internal, was during this period of no great extent. It is probable therefore, that the quantity even of Silver Money [illegible] not be great; and the largest denomination of it, hitherto in currency, was but a Penny or Sterling, equal in weight to something less than three Pennies of our present Money. There could then of course be little occasion in the internal traffic of the kingdom, for Coins made of Gold. It is not improbable however that a small quantity of the Gold Coins of foreign countries might be brought into the kingdom, by means of our foreign commerce, and be occasionally current within it. Our ancient records make frequent mention of Bezants, and

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See Sir Matthew Hale, p. 99. where he refers to the Black Book in the Exchequer.

it is certain, that there were at that time circulating through every part of Europe, and employed in the payment of larger ſums, Gold Coins made by the Greek Emperors of Conſtantinople, called Byzants, or Byzantines. Theſe were made of fine Gold, that is, of 24 carats fine. Antiquaries are not agreed concerning the weight of the Byzants; it is probable however, that each of them originally weighed a *Drachma*, or Dram, that is, the eighth part of an ounce, ſo that its value was nearly equal to 10 Shillings of our preſent Money. After the example of the Greek Emperors, other Sovereigns of Europe made Gold Coin [illegible] called Byzantines, though of a different weight and value [illegible] zantines made in diffe[illegible] countries were on this account occaſionally diſtinguiſhed, by adding to their original name that of the people, or country, where they were made. In a ſubſequent period, that is, about the year 1252, another ſort of Gold Coin was introduced into circulation among the nations of Europe; they were firſt coined at Florence, and therefore were called Florences. They were probably made in imitation of the Byzantines; for about this time the Greek Refugees began to fly from Conſtantinople, and ſought an aſylum principally in Florence. Theſe Florences were made alſo of fine Gold, and an ounce was coined into eight of them; and they were therefore originally of the ſame weight and value as the Byzantines. Le Blanc obſerves, that theſe Coins, called Florences, were very famous in every part of Europe; and that there was hardly a Sovereign, who did not make them: he even thinks, that this name of Florences was for ſome time given to every ſort of Gold Money, whatever the value or weight of it might be. It is certain, however, that theſe

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See Du Cange's Gloſſary and Supplement, article Byzant.

See Du Cange [illegible]

See Du Cange's Gloſſary and Supplement, article Florence.

See Le Blanc, p. 154, and Prolegomenes.

Florences, or Florins, were by degrees very much depreciated, and that at length Coins of the ſame name were made of Silver; and Florins of this laſt deſcription are the Money of Account, in many countries, to this day.

When Edward III. at the commencement of the 18th year of his reign, began to make Gold Coins at the Engliſh Mint, the people of this kingdom, following the example ſet them in many countries on the continent, frequently called theſe new Gold Coins, Florences, or Florins: and in the Proclamation for giving them currency, they are ſaid to weigh "*Deux* "*petits Florins de Florence de bons Pois.*" They were in fact nearly of that weight, for they weighed 4 dwts. 19 ½ grs. They were made of Gold of the old Engliſh ſtandard, that is, 23 carats 3½ grains fine, and ½ gr. alloy; 50 of them were coined out of a Tower Pound weight of Gold, making in tale 15l of the Money of that time; and each of them was current for 6s of that money, and was intrinſically worth about 19s of our preſent Money. At the ſame time he coined pieces, weighing, ſome of them, half of that before mentioned, and others a quarter, but all of the ſame fineneſs, and in due proportion: and as the Tower Pound of ſtandard Silver was then coined into 22s 2d, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated as $12\frac{14944}{25403}$ to 1. The Gold in theſe Coins was thought to be overvalued, in proportion to the Silver Coin then current, and they were on that account generally refuſed in payment. For this reaſon, they were ordered by a Proclamation, dated the 9th July in the ſame year, to be taken in payment only with the conſent of thoſe, to whom they were offered; and by another

See Martin Folkes's Table of Engliſh Gold Coins, p. 3. and p. 121, 122.

See Rymer, v. 5. p. 403. De Proclamatione ſuper Auro cudendo.

Rymer, v. 5. p. 416.

Ibid. p. 424.

another Proclamation, dated 20th Auguſt following, they were ordered to be no longer current. It is probable that they were generally brought to the Mint, and recoined; for none of them have yet been found, except a Quarter Florin.

Rymer, v. 5. p. 416.

On the 9th July of the ſame year, this King iſſued three new ſorts of Gold Money; one to be called the Noble d'Or, or Noble, ordered to be of the weight of 6 dwts. $1\frac{3}{4}$ gr. which was to paſs at 6s 8d, or half a Mark in tale. It was made of Gold of the old ſtandard. At the ſame time he coined Half Nobles, ſometimes called Maille Nobles, and Quarter Nobles, ſometimes called Farthing Nobles, in due proportion. The Tower Pound of Gold was to be coined into $39\frac{1}{2}$ of theſe Nobles, and to paſs in tale at 13l 3s 4d of the Money of that time; and as the Tower Pound of Silver was ſtill coined into 22s 2d, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was now eſtimated as $11\frac{1175}{2540\frac{3}{4}}$ to 1. This new Gold Coin was not at firſt acceptable to the people, and it was therefore ordered, that no one ſhould be obliged to take it in payment for any ſum leſs than twenty Shillings. But as it probably became in a ſhort time more acceptable, it was ſoon afterwards ordered not to be refuſed in any payment whatſoever. In this manner Coins of Gold made at the Engliſh Mint were at length introduced into general circulation among the people, though with ſome difficulty. At this time the commerce of the kingdom began greatly to increaſe; and Edward III. had given ſecurity to it, by ſeveral naval victories lately obtained, particularly by one, in which he had deſtroyed the French navy, off the coaſt of Flanders. In commemoration of this great event, there was

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placed on the face of theſe Nobles, the King, ſtanding in the center of a ſhip, armed, with his ſword drawn in his right hand, and his ſhield in his left; and Gold Coins, with nearly a ſimilar device, continued to be made at the Engliſh Mint, for more than two centuries and a half, ſubſequent to this period.

In the 20th year of this King's reign, when he a ſecond time debaſed his Silver Money, he reduced the weight of the Nobles to 5 dwts. 8$\frac{1}{2}$ grs. and he at the ſame time coined Half and Quarter Nobles in due proportion. The Nobles were to paſs, as before, at 6s 8d. A Tower Pound of Gold of the old ſtandard was to be coined into 42 Nobles, and was to make in tale 14l of the Money of that time; and as the Tower Pound of Silver was then coined into 22s 6d, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated as $11\frac{1632}{2865}$ to 1.

In the 27th year of this King's reign, when he a third time debaſed his Silver Money, he reduced the weight of the Nobles to 5 dwts. 8 grs. making Half and Quarter Nobles in due proportion. Theſe Nobles were to paſs, as before, at 6s 8d. A Tower Pound of Gold of the old ſtandard was to be coined into 45 Nobles, and was to make in tale 15l of the Money of that time; and as the Tower Pound of Silver was then coined into 25s, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated as $11\frac{151}{955}$ to 1.

In the 13th year of Henry IV. when this King debaſed his

Silver Coin, he reduced the weight of the Nobles to 4 dwts. 19¼ grs. making Half and Quarter Nobles in due proportion. The Nobles were to paſs, as before, at 6s 8d. A Tower Pound of Gold of the old ſtandard was to be coined into 50 Nobles, and was to make in tale 16l 13s 4d of the Money of that time; and as the Tower Pound of Silver was then coined into 30s, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated as $10\frac{100}{273}$ to 1.

From that period, the Kings of this realm, when they debaſed their Silver Coins, by diminiſhing the weight of them, introduced a new method of preſerving the relative value of Gold to Silver in their Coins, by frequently raiſing the nominal value of the Gold Coins then in currency, and by obliging their ſubjects to receive them at this increaſed value. But as the people were, from long uſage, now accuſtomed to Gold Coins of a certain nominal rate and value, that is, of half a Mark, or 6s 8d, and to its ſubdiviſions 3s 4d and 1s 8d, the Kings of this realm, when they ſo raiſed the nominal value of the exiſting Gold Coins, generally introduced into circulation new pieces of Gold Coin, of the ſame nominal values, to which the people had been accuſtomed, though under different names; and when, in a ſubſequent period, Gold Coins, of the nominal value of 20 Shillings, and 10 Shillings, were introduced into currency, the ſame practice was adopted, whenever any alterations were made in ſuch Gold Coins.

In the 4th year of the reign of Edward IV. when this King debaſed his Silver Coin, he raiſed the value of the Nobles then in circulation, from 6s 8d to 8s 4d. But he ſoon afterwards

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made a new Gold Coin, which he called an Angel, becauſe there was repreſented an Angel on the face of it. He continued however the figure of a ſhip; but he placed it on the reverſe of this Coin. Each of theſe Angels was to be current at 6s 8d, weighing 3 dwts. $13\frac{1}{2}$ grs. He made Angelets, or Half Angels, in due proportion. A Tower Pound of Gold of the old ſtandard was to be coined into ſixty-ſeven Angels and a half, and was to make in tale 22l 10s. This King continued however to coin Nobles, Half Nobles, and Quarter Nobles, preciſely of the ſame weights as thoſe made in the 27th year of Edward III. which were now to paſs at 10 Shillings; but they received a new name, and were called Rials, or Roſe Nobles. A Tower Pound of Gold of the old ſtandard was to be coined into 45 of theſe Nobles, and was to make in tale 22l 10s of the Money of that time. An Angel and a Half were of the ſame rate and value as one Rial, or Roſe Noble; and as the Tower Pound of Silver was then coined into 37s 6d, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated, as in the 27th Edward III. in the proportion of $11\frac{151}{955}$ to 1.

Though Henry VII. did not debaſe either his Gold or Silver Coins, he introduced a new ſort of Gold Coin into currency, which was to paſs for 20 Shillings, and weighed 10 dwts. 16 grs. which was exactly double the weight of the Rial, or Roſe Noble, which then paſſed at 10 Shillings. It was called a Sovereign, or Double Rial; but very few of them were coined in this reign. On this Sovereign, or Double Rial, the King was repreſented ſitting on his throne in royal robes, and crowned.

In the 18th year of Henry VIII. when the Silver Coin was again debaſed, this King raiſed the value of the ſeveral Gold Coins then in circulation. He raiſed the Sovereign, or Double Rial, from 20s to 22s 6d; the Rial, from 10s to 11s 3d; the Angel, from 6s 8d to 7s 6d: but he at the ſame time made a new Gold Coin of the old ſtandard, which was to be current at 6s 8d, weighing 2 dwts. 23 grs. Troy, (which weight was at this time firſt introduced into the Engliſh Mint,) and he called it a George Noble. He coined at the ſame time Half George Nobles, (which were alſo called Forty Penny Pieces) in due proportion. A Troy Pound of Gold of the old ſtandard was to be coined into eighty-one of theſe George Nobles, and was to make in tale 27l of the Money of that time. This King coined alſo at the ſame time pieces of Gold Coin of a new ſtandard, that is, 22 carats fine, and 2 alloy; they were called Crowns, and each of theſe Crowns was to weigh 2 dwts. 9$\frac{1}{2}$ grs. of Gold of this new ſtandard; and was to paſs for five Shillings. He made alſo Half Crowns of Gold of the ſame ſtandard in due proportion. A Troy Pound of Gold of this new ſtandard was to be coined into 100$\frac{1}{2}$ Crowns, and was to make in tale 25l 2s 6d of the Money of that time; and as the Tower Pound of Silver was then coined into 45s, the value of a Pound of fine Gold in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was eſtimated, as in the 4th Edward IV. in the proportion of $11\frac{151}{955}$ to 1, and the value of a Pound of fine Gold in Coins of the new Standard, compared with the value of a Pound of fine Silver, was eſtimated in the proportion of $11\frac{59}{220}$ to 1.

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For reaſons already ſtated, I ſhall paſs over all the proceedings with reſpect to the Gold Coin, from the 18th Henry VIII. to the 2d Elizabeth. Yet it will be proper to obſerve, that Edward VI. in the 6th year of his reign, raiſed the value of the Sovereigns of the old ſtandard to 30 Shillings, the old Rials to 15 Shillings, the Angels to 10 Shillings, and their reſpective ſubdiviſions in due proportion. He coined alſo, in the 6th year of his reign, Gold Crowns of the new ſtandard, weighing 1 dwt. 18¼ grs. and Half Crowns in proportion. His Father coined, in the 34th year of his reign, Gold Sovereigns of the new ſtandard, which were to paſs at twenty Shillings, weighing 8 dwts. 8 grs. Theſe he afterwards reduced to 8 dwts. and they were farther reduced by Edward VI. in the ſaid 6th year of his reign, to 7 dwts. 6½ grs. In this ſtate the Gold Coins continued during all the reign of Queen Mary, and Queen Elizabeth found them in this ſtate at her acceſſion. She made no alteration at this time, either in the weight or the value, at which theſe Gold Coins were to be current, with reſpect to the Pound in tale; but, by reſtoring the Silver to 11 oz. 2 dwts. fine, and 18 dwts. alloy, ſhe altered the value of the Gold Coins, compared with thoſe of Silver. According to ſeveral indentures, before her 43d year, a Troy Pound of Gold of the old ſtandard was to be coined into twenty-four Sovereigns, and the ſmaller pieces of Gold Coin of the old ſtandard in due proportion; and was to make in tale 36l of the Money of that time. And the Troy Pound of Crown Gold of the new ſtandard was to be coined into 33 Sovereigns, and the ſmaller Gold Coins of the new ſtandard in due proportion; and was to make in tale 33l of the Money of that time. And as the Pound of Silver was then coined

coined into 60 Shillings, the value of a Pound of fine Gold in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was eſtimated in the proportion of $11\frac{151}{955}$ to 1; and the value of a Pound of fine Gold in Coins of the new ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $11\frac{1}{10}$ to 1. In Coins of the old ſtandard therefore, the relative value of Gold to Silver was as in the 18th of Henry VIII. but in Coins of the new ſtandard, the value of Gold, when compared with Silver, was leſs by $\frac{37}{220}$, than in that period.

In the 43d of Elizabeth, when the Silver Coin was again debaſed, and put upon the footing on which it ſtands at preſent, this Queen diminiſhed the quantity of Gold, which ſhe put into her Coins, both of the old and new ſtandard. She reduced the weight of the Angel of the old ſtandard, which had before weighed 3 dwts. 8 grs. to 3 dwts. 7 grs. and the Half and Quarter Angels in due proportion. The Troy Pound of Gold of this ſtandard was to be coined into 73 Angels, and was to paſs in tale at 36l 10s of the Money of that time. She reduced the Sovereigns of the new ſtandard, which had before weighed 7 dwts. $6\frac{1}{2}$ grs. to 7 dwts. 4 grs. and the ſmaller Coins of this new ſtandard in due proportion. The Troy Pound of Gold of this ſtandard was to be coined into 33 Sovereigns and an half, and was to paſs in tale at 33l 10s of the Money of that time; and as the Pound of Silver was then coined into 62s, the value of a Pound of fine Gold in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $10\frac{5614}{5921}$ to 1; and the value of a Pound of fine Gold in Coins of the new ſtandard, compared with

with the value of a Pound of fine Silver, was eſtimated as $10\frac{617}{682}$ to 1.

As from this period no further alteration or debaſement has been made in our Silver Coins, I am now only to conſider, what alteration was henceforth made in our Gold Coins, in order to bring the value of them in tale to a due proportion with the value in tale of our Silver Coins, according to the relative value of Gold to Silver in each reſpective period.

It is ſingular, that to this period, though the Mines of America had long been diſcovered, and great quantities of the precious metals had in conſequence thereof been imported into Europe, the relative prices of theſe metals do not appear from the Mint indentures to have very much varied from what they had been in former times. It is poſſible that the increaſing luxury of the different countries of Europe, in plate and other articles during this time, might have employed and abſorbed a conſiderable part of the Silver, that had been hitherto imported; and it ſhould be recollected, that the productive Silver Mines of Potoſi had not then been diſcovered above fifty-five years. However, it can hardly be conceived, that ſome riſe in the value of Gold, compared with Silver, had not at that time taken place in the market, though it had not been obſerved, and though the value of it in our Gold Coins had not been raiſed in conſequence thereof, by thoſe who had the direction of the Engliſh Mint. Queen Elizabeth, in her 43d year, eſtimated the value of Gold to Silver, even in a leſs proportion than it had ever been, in any period ſince the 18th Edward III. except in the 13th Henry IV. and except in the

nine years from the 34th Henry VIII. to the 6th Edward VI. when no attention appears to have been paid to the relative values of theſe precious metals, as will be ſtated hereafter. But from this period, the value of Gold, compared with Silver, appears, even from the Mint indentures, to have riſen rapidly; for in the 2d and 3d of James I. this Monarch found it neceſſary, on that account, to diminiſh the weight of his Gold Coins. He reduced the weight of the Angel of the old ſtandard from 3 dwts. 7 grs. to 2 dwts. 23 grs. and the other Gold Coins of this ſtandard in due proportion. The Troy Pound of Gold of this ſtandard was to be coined into 81 Angels, and was to paſs in tale at 40l 10s of the Money of that time. He reduced the Sovereign, or Piece of 20 Shillings of the new ſtandard, from 7 dwts. 4 grs. to 6 dwts. $10\frac{3}{4}$ grs. and the ſmaller Gold Coins of this ſtandard in proportion. The Troy Pound of Gold of this ſtandard was to be coined into $37\frac{1}{3}$ Sovereigns; and was to paſs in tale at 37l 4s of the Money of that time: and as the Pound of Silver was then coined into 62s, the value of a Pound of fine Gold in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $12\frac{876}{5921}$ to 1; and the value of a Pound of fine Gold in Coins of the new ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $12\frac{186}{1705}$ to 1. This was a riſe in the value of Gold in the old ſtandard of $10\frac{70}{73}$ per cent. and in the new ſtandard of $11\frac{3}{67}$ per cent.

To diſtinguiſh the new Sovereigns, or Twenty Shilling Pieces, made by this King, from the old, he changed their name, and called them Unites; and further, to enable his ſubjects more eaſily to diſtinguiſh the nominal value of this, as well

well as of the other Gold Coins made by him, he now began to put figures on the face of them, denoting the nominal value, at which they were reſpectively to be current. The practice of thus aſcertaining the nominal value of Coins had hitherto been applied to the Silver Coins only.

This King, in the 9th year of his reign, raiſed, by proclamation, all Gold Coins hitherto in circulation, two Shillings in the Pound, or 10 per cent. ſo that the Roſe Rial was to paſs for 33 Shillings, and the ſmaller Coins of this ſtandard in due proportion. The Unite was to paſs for 22 Shillings, and the ſmaller Gold Coins of this ſtandard in due proportion; which, added to the former riſe in the 2d and 3d year of his reign, made a total riſe, during the ſhort ſpace of ſeven years, in the value of Gold, compared with that of Silver, of $20\frac{70}{73}$ per cent. in Coins of the old ſtandard, and of $21\frac{3}{67}$ per cent. in Coins of the new ſtandard. The value of a Pound of fine Gold in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was now eſtimated as $13\frac{10719}{2906\frac{1}{2}}$ to 1; and the value of a Pound of fine Gold, in Coins of the new ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $13\frac{248}{775}$ to 1. This King, in the next year, coined Pieces of Gold of the old ſtandard to paſs for 30s, 15s, and 10s, proportionally diminiſhing their weight.

In the 17th year of this King, he a third time raiſed the value of Gold in his Coins. The laſt mentioned Piece of Gold Coin of the old ſtandard, which in the 10th year of his reign weighed 8 dwts. $4\frac{1}{2}$ grs. and was to paſs for 30s, was reduced to 8 dwts. 2 grs. and the other Gold Coins of the ſame ſtand-

ard, in like proportion. He now made 20s Pieces of the new ſtandard, weighing 5 dwts. 20½ grs. which were called Laurels; and new 10s Pieces called Double Crowns, and 5s Pieces called Crowns, diminiſhing their weight in due proportion; and thereby further raiſed the value of Gold compared with that of Silver $1\frac{3}{22}$ per cent. in Coins of the old ſtandard, and $\frac{100}{491}$ per cent. in Coins of the new ſtandard. The value of a Pound of fine Gold, in Coins of the old ſtandard, compared with the value of a Pound of fine Silver, was now eſtimated as $13\frac{2059}{5921}$ to 1; and the value of a Pound of fine Gold, in Coins of the new ſtandard, compared with the value of a Pound of fine Silver, was eſtimated as $13\frac{118}{341}$ to 1.

No further alteration was made in the weight of the Gold Coins, or in their relative value with reſpect to the Silver Coins, during the remainder of this King's reign; and no alteration in either of theſe reſpects was ever made through the whole of the reign of Charles I. nor during the time of the Commonwealth; but the perſons, who during this laſt period governed the kingdom, changed the devices on the face and reverſe, both of our Gold and Silver Coins.

Charles II. at his Reſtoration, by his firſt indenture with the Maſter of the Mint, ordered, that his Coins ſhould be made exactly the ſame in weight and fineneſs, as thoſe, that had been made in the time of his Father, Charles I.: but in his 15th year, that is, the 3d year after the Reſtoration, he reduced the quantity of Gold, which he put into his Coins of the new ſtandard. There is no reaſon to believe, that any Gold Coins of the old ſtandard were made at the Mint of that King,

King, or in any ſubſequent reign. The weight of the laſt Twenty Shilling Piece of the new ſtandard, which was called a Laurel, was 5 dwts. $20\frac{1}{2}$ grs. The weight of the new Piece of the ſame ſtandard, which was intended in like manner to paſs for 20s, was 5 dwts. $9\frac{1}{2}$ grs. This Piece was afterwards called a Guinea. He coined alſo Pieces, which were to paſs for 10 Shillings, and were called Half Guineas. He coined no other Gold Coins of this ſtandard, except a few double Guineas and Five Pound Pieces, all which were made in due proportion. The Troy Pound of Gold, of the new ſtandard, was to be coined into $44\frac{1}{2}$ of theſe 20s Pieces or Guineas, which were intended to paſs in tale for 44l 10s; and the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was then eſtimated as $14\frac{131}{652}$ to 1; and the value of Gold, compared with that of Silver, was at this time raiſed $8\frac{22}{41}$ per cent. As upon the acceſſion of James I. to the Engliſh Crown, the value of a Pound of fine Gold, compared with the value of a Pound of fine Silver, was eſtimated as $10\frac{617}{652}$ to 1, the riſe in the value of Gold in the ſpace of ſixty years was upon the whole $32\frac{16}{67}$ per cent.: and as it can hardly be doubted, that moſt other articles, as well as Gold, increaſed in their price, compared with Silver, during the whole of this period, thoſe who were entitled to receipts from ancient fee-farm or other rents, as well as annuities, which had ſubſiſted at the commencement of this period, muſt have loſt in effect, by this diminution of the price of Silver, nearly one third of the original value of ſuch rents and annuities.

See Fleetwood's Chronicon Preciosum, and Sir Geo. Shuckburgh's Tables founded thereon.

From the account thus laid before Your Majeſty of the variation in the relative values of Gold and Silver, as eſtimated

in

in the Mints of this kingdom, from the time when Gold Coins were firſt made therein, after the acceſſion of William I. it appears, that in the 41ſt Henry III. fine Gold compared with fine Silver was eſtimated in the Gold Coins or Pennies made by that King, at a lower value, than in any ſubſequent period; that is, as $9\frac{57}{191}$ to 1: and that in the beginning of the 18th year of Edward III. when he firſt made Florences, or Florins, the value of fine Gold, compared with the value of fine Silver, was eſtimated at a higher rate than in any ſubſequent period previous to the 9th James I. that is, as $12\frac{14844}{25403}$ to 1. It has already been ſtated, that the people were diſſatisfied with both theſe valuations, and refuſed to take either theſe Gold Pennies or Florins in payment; though it may ſeem extraordinary, that they ſhould not have been ready to take in payment the Gold Coins made by Henry III. as the Gold in them was valued ſo very low. On the other hand, the complaints of the people in the 18th Edward III. were probably well founded; for by comparing the value which this King ſet on the Gold in his Florins, with the value at which it was eſtimated in the Gold Pennies of Henry III. the riſe in the value of Gold at the market during this interval muſt indeed have been very great, to juſtify Edward III. in ſetting ſo high a value on it in his Florins. In conſequence however of theſe complaints, this King, in a ſubſequent part of the ſame year, when he firſt coined Nobles, reduced the value of Gold, compared with Silver, in theſe Nobles, to the proportion of $11\frac{1175}{25403}$ to 1, as has been before ſtated. The people ſtill complained that the value of the Gold in theſe Nobles was rated too high, and for a ſhort time refuſed to take them in payment; but ſoon afterwards they became ſatisfied with this valuation, and were ready

ready to receive them in all payments whatſoever, ſo that they became generally current.

It is difficult to explain, on any juſt principles, the tranſactions laſt ſtated, or the motives which influenced the opinions of the people with reſpect to theſe Coins. The moſt probable conjecture is, that as no Gold Coin had been made at the Engliſh Mints for at leaſt 195 years previous to the 41ſt of Henry III. and probably for a much longer period; and as the people had during that time carried on but little commercial intercourſe with foreign nations, the price of Gold in this kingdom might be very low, becauſe there had been, during the whole of that time, the leſs uſe and demand for it. The people might further object to theſe new Gold Pennies, from a natural averſion to novelty in a buſineſs, in which their intereſts were ſo deeply concerned: but, with the increaſing commerce of the kingdom, this metal might gradually riſe in its value before the 18th Edward III. and he might on this account be induced to eſtimate the value of it in his Florins at the high rate before ſtated. It is not improbable alſo, that this great Monarch, who was conſtantly in want of Money for his foreign wars, and who had, on that account, at three different times debaſed his Silver Coins, might expect, by over-rating the Gold in Coins of that metal, to increaſe his revenue. He certainly rated it too high; and for this reaſon, when he coined Nobles in a ſubſequent part of the ſame year, he conſiderably reduced the value, at which he rated the Gold put into them. The people for a ſhort time thought the Gold in theſe Nobles was ſtill over-rated; but conſiderable quantities of it being brought to the Mint to be coined, and theſe Coins

becoming

becoming generally current, the price of Gold naturally roſe in conſequence of this new uſe and demand for it, and the people then became ſatisfied with the value at which this King had eſtimated it in his Nobles.

From the 18th of Edward III. to the 2d of James I. the higheſt valuation of fine Gold compared with fine Silver was in the 20th Edward III. when it was eſtimated as $11\frac{1637}{2865}$ to 1. The loweſt valuation was in the 13th Henry IV. when it was eſtimated as $10\frac{100}{573}$ to 1; ſo that the variation during this long period was 12 per cent. I have not been able to find in the records or chronicles of this kingdom any ſymptoms of diſſatisfaction or complaint, during the whole of this time, either as to any exceſs or defect in the valuation of Gold compared with Silver in the Coins made at the Engliſh Mint, except in the ſhort ſpace of about nine years, from the 34th Henry VIII. to the 6th Edward VI. (of which ſome account will be given under the next head of this Letter;) ſo that it is probable, that there was no great exceſs or defect in the relative values of the two precious metals, as eſtimated at the Engliſh Mint, compared with the price of them at the market, during more than two centuries and a half.

It is certain alſo, that the currency of the country, during thoſe times, conſiſted chiefly of Silver Coins; and that the number of Gold Coins then in circulation bore but a very ſmall proportion to thoſe of Silver. The people might perhaps on that account be induced to pay leſs attention to the relative value of the two precious metals in the different ſorts of Coin, and to eſtimate it with leſs accuracy. Beſides, it is poſſible,

poſſible, that the Mines and other ſources, from which theſe metals are procured, might, in the whole of that period, have afforded a more regular and proportionate ſupply of each of them, than they have done in later times.

From the 2d James I. incluſive, to the 15th of Charles II. the riſe in the value of Gold, compared with Silver, was very great and rapid. It has already been ſtated, according to the different eſtimates made of it in the Mints of this kingdom, that this riſe amounted in ſixty years to $32\frac{56}{67}$ per cent. or nearly one third. The great inconveniences, which the people of this kingdom ſuffered from the many and ſudden changes in the value of theſe metals, during theſe ſixty years, and the difficulties, to which Government was on that account expoſed, are fully proved by many entries in the Books of Your Majeſty's Privy Council, and by the chronicles and writings of thoſe times. The miniſters who then ſerved the Crown, among whom there were men of great knowledge and talents, and particularly Sir Francis Bacon, the firſt philoſopher of the age, had frequent conſultations on this ſubject, by order of their Sovereign; and they took the advice of merchants, bankers, and other perſons, ſuppoſed to be beſt verſed in a buſineſs of this nature: but they were never able to diſcover any ſufficient remedy for the evil. It is certain, that the riſe in the value of Gold made by James I. in the 2d and 3d year of his reign, was rendered neceſſary by the exportation of the Gold Coin, which had for ſome time been experienced, and by the very ſmall quantity of it that was then left in circulation. This riſe, which was equal to $10\frac{70}{73}$ per cent. in the Gold Coins of the old ſtandard, and to $11\frac{3}{67}$

per cent. in the Gold Coins of the new ſtandard, as before ſtated, produced a partial and temporary relief; for Stowe, in his Chronicle, obſerves, that ſubſequent to it, "*and for ſix* "*years after, here was more plentie of Golde than ever was* "*before;*" but he confeſſes, that this plenty of Gold Coin did not continue in circulation for any length of time, and that it afterwards began to be exported. It ſoon became evident, that the laſt mentioned riſe of the value of Gold in the Coins of this kingdom was not ſufficient to make it equal to the relative value of Gold to Silver at the market: King James therefore was under the neceſſity, in the 9th year of his reign, of farther raiſing the value of his Gold Coins 10 per cent. The proclamation, by which this ſecond riſe was commanded, aſſigns the reaſons, on which it was founded, and the principles, on which this Monarch, by the advice of his Privy Council, proceeded, on that occaſion; for it is there expreſsly ſaid, "that the Unite or Gold Coin, that paſſed for 20 Shil- "lings in England, was valued in foreign countries, and par- "ticularly in Holland, at 22 Shillings;" that is, at 10 per cent. more than the value at which it was current in England; and it was on this account that he raiſed the value of his Gold Coin then in circulation 10 per cent. Experience however ſoon proved, that the Government had now erred in the oppoſite extreme, and that this riſe was too great; for it appears, from undoubted teſtimonies, that, ſubſequent to it, the Silver Coin began to be exported, in like manner as the Gold Coin had been before. It is obſerved by Mr. Munn, that "this "laſt raiſing of Gold 10 in the hundred did bring in great "ſtore thereof, more than we were accuſtomed to have in the "kingdom; but that it carried away all, or the moſt part of

Intro. 12.

See Stowe's Chronicle, p. 911.

See Munn's England's Treaſure, ch. 8.

"our

" our Silver." And it is acknowledged by a Letter from the Lords of the Privy Council to King James, dated the 30th November 1618, that for the laſt ſeven years " Silver had " been ſcarce at the Mint, though Gold had been plentiful." This fact is confirmed by a Certificate of the Officers of the Mint annexed to the Letter before mentioned, by which it is proved, that in ſeven years previous to the year 1616 there had been coined no more than 57,689l 9s of Silver; and in the laſt of theſe years no more than 216l 4s 6d; but that in the ſame ſeven years there had been coined of Gold 1,546,309l 1s 10d; and in the ſame Certificate it is ſhewn, that in the laſt ſeven years of the reign of Queen Elizabeth, there had been coined of Silver 844,433l 4s 4d, and of Gold no more than 104,280l 12s. This want of Silver Coin continued afterwards to increaſe, and very ſmall quantities of Silver Bullion were brought to the Mint. The Gold Coins, which were then iſſued from it in great plenty, were immediately clipped, or otherwiſe diminiſhed in their value. To remove both theſe evils, by a proclamation iſſued on the 14th May, in the 10th year of his reign, that is, in the year 1612, entitled, " For the better ſtaying of Treaſure within the Realm, " and alſo for the procuring and inviting of the ſame to be " brought as well to his kingdom as to his Mint," King James thought fit " *to ſet the prices of foreign Gold and Silver in* " *their ſeveral ſpecies.*"

See this proclamation referred to in the proclamation of the 4th February 1619, quoted hereafter.

By another proclamation iſſued on the 23d day of March, in the 12th year of his reign, that is, in the year 1614, King James having firſt declared, *that the Treaſure of Gold and Silver brought into the Realm hath bene by ſundry Acts of Par-*

See Collection of Proclamations in the Council-Office, vol. 2.

liament ordained to be as an immoveable and perpetuall ſtocke, which ſhould never go forth againe, but ſhould receive a daily increaſe without diminution, and be conſerved as well for the making and maintaining of juſt and honourable warres, either offenſive or defenſive, as for adorning the kingdom in time of peace; and having complained, *that great quantities of Gold and Silver are continually carried forth into forraigne parts, not only for ſupply of Commerce in reſpect of the exceſſe of forreigne commodities (which is a thing in itſelfe intolerable), but alſo upon ſecret and ſubtill gaines, made at the Mints abroad, which artifices as he does not approve nor much leſſe emulate, but is deſirous to fruſtrate,* orders, that the ſtatutes made and in force againſt the exportation of Gold or Silver in coin, jewells, plate, or veſſell, or howſoever, ſhould be ſtrictly carried into execution under the ſevereſt penalties.

In a ſubſequent period the Privy Council were ordered by the King to take this ſubject into conſideration. Sir Francis Bacon, then Lord Chancellor, and Sir Edward Coke frequently attended. There were many conſultations in the years 1618 and 1619; and the Officers of the Mint, and the principal Merchants of the city of London, were called on for their advice; but it appears, that theſe Officers and the Merchants differed greatly in their opinions, with reſpect to the remedy. When it was found that they could not agree, they were ordered to hold ſeparate meetings, and each of them to make a ſeparate report. The Privy Council, after having heard various propoſitions offered to them, thought fit to order, that the Eaſt India Company and the Goldſmith's Company ſhould make bye-laws, binding themſelves not to give a higher price for

See the Proceedings in the Council Books in the years 1618, 1619, 1620.

for Silver, than that at which it was received at the Mint: and when theſe bye-laws were preſented to the Board on the 21ſt January $16\frac{19}{20}$, "the Lords found them defective in point "of penalty;" and they add, that this penalty "ought to "have been expreſſed by a clauſe to the following effect, "*upon ſuch further penalty as his Majeſty ſhall be pleaſed* "*to lay upon the Company.*" Another propoſition was at that time made, and at firſt adopted by the Privy Council, for coining the Pound Troy of ſtandard Silver into 66 Shillings; but upon further conſideration the execution of this meaſure was ſuſpended.

When it is conſidered that the real cauſe of this great evil, and the many ill conſequences which it produced, was the high price at which Gold had been eſtimated in the Coins of this realm for ſome years paſt, it is matter of aſtoniſhment, that King James ſhould, juſt at that time, that is in his 17th year, again raiſe the value of the Gold in his Coins, and thereby increaſe the difficulties to which his ſubjects were expoſed. There is reaſon however to ſuſpect, that it was intended to keep this meaſure ſecret. Mr. Lowndes has publiſhed no Mint Indenture of this King of a later date than his 10th year; and it is probable, that he could not find any. Diligent ſearch has been made in the repoſitories where ſuch Indentures are uſually kept, and no Mint Indenture made in the 17th year of James I. can be found. In a manuſcript Treatiſe, which appears to have been written at that time by a perſon of eminence, King James is adviſed to keep for ſome time ſecret all alterations made in his Coins; but a Mint Indenture of the 21ſt of James I. has been found, in which this

riſe

riſe in the value of Gold in the Coins is ordered. It was probably made as early as his 17th year, by ſome private order, of which no trace can be diſcovered; and indeed all the writers on Coin agree that it was then made. This riſe was however but ſmall; it was $1^{\frac{1}{2}}$ per cent. in the old ſtandard, and $\frac{100}{491}$ per cent. in the Coins of the new ſtandard, as before ſtated. The neceſſary conſequence was, that a ſtill greater ſcarcity of Silver Coin enſued, and that a very ſmall quantity of Silver Bullion was brought by the merchants to the Mint during the remainder of this reign, and during the whole, or at leaſt a conſiderable part of the reign of Charles I. and it is mentioned in Ruſhworth, in his account of the year 1632, "that "there was ſuch plenty of Gold, and ſuch ſcarcity of Silver, "that the drovers and farmers, who brought cattle to Smith-"field, would ordinarily make their bargain to be paid in Sil-"ver; and that it was uſual to give two pence, and ſometimes "more, to change a 20s Piece of full weight."

Ruſhworth's Hiſt. Collec. part ii. vol. 1. p. 149, 150.

It appears that, during this period, the Government adopted other meaſures to remove the great inconveniences, to which the commerce of the kingdom continued to be expoſed, from this inequality in the intrinſic value of the Coins made of the two metals. By another proclamation iſſued on the 4th February 1618, King James confirmed his proclamation of the 14th May 1612; and obſerving, that *the drawing of Moneys into the Goldſmith's hand, by turning Silver into Gold, upon profit of Exchange, doth make it the more ready to be ingroſſed into the merchant's hand for tranſportation to Mints abroad,* he prohibited the melting down the Gold or Silver Coin of the realm, in order to convert the ſame into plate. He alſo prohibited

See Rymer's Fœd. vol. 17. p. 135. and Colleftion of Proclamations in the Council-Office, vol. 2.

prohibited the "exceſſive uſe of Gold and Silver Foliate in "every ſort of ornament, except in making armour, or at "funerals."

On the 11th June 1622, that is in the 20th year of James I. a third proclamation was iſſued by this King, acknowledging the ſcarcity of Gold and Silver, in conſequence of the exportation thereof from this kingdom, and complaining that his former proclamations had not been obeyed, "*notwithſtanding* "*ſome remarkable examples of Juſtice in his High Court of* "*Star Chamber.*" He thereby confirms the foregoing proclamation, and alſo prohibits the exportation of theſe metals, not only in *Coin*, but in *Bullion*, and in every other ſtate or condition whatſoever, under the ſevereſt penalties. He alſo prohibits the making any Gold or Silver thread, or the ſelling of Gold or Silver Bullion to any perſon, except *to the Officers of his Majeſty's Mint and Changes*, unleſs it "be for making "of *Amells*[a], or repairing old Plate, ſo as to make it as good "as Sterling;" and he further prohibits the ſelling of any fine Silver, or Silver allayed, molten into maſs, to any perſon whatſoever, or by one Goldſmith to another.

See Rymer, vol. 17. p. 376. and Collection of Proclamations in the Council-Office, vol. 2.

By a ſubſequent proclamation, dated the 10th July 1624, that is in the 22d year of his reign, King James again acknowledging that his former proclamations had not produced the effect that was expected from them, thought fit, in conſequence of a complaint of the Houſe of Commons, to revoke a

See Rymer, vol. 17. p. 605. and Collection of Proclamations in the Council-Office, vol. 2.

[a] An old term for works in enamel, or other fine works in Gold or Silver. See Stat. 4th Hen. VII. ch. 2.

Charter

Charter he had granted to the Company of Gold Wire Drawers, who were charged with having contributed to the waſte of Gold and Silver. He again prohibits the ſale of Silver or Gold, except to the Officers of his Majeſty's Mint and Changes, and to the Goldſmiths within the realm, " for the augmenta-" tion and mending of Coin and Plate;" and he requires, " that no refiner ſell to any perſon any manner of Silver in " maſs;"—and " that no Goldſmith ſell any fine Silver al-" layed, or molten into maſs, to any perſon or perſons what-" ſoever, nor one Goldſmith to another, except for the making " of Amells, or the amending of Plate to make it as good as " Sterling."

Charles I. on the 21ſt December 1626, that is in the 2d year of his reign, revived the ancient office of King's Exchanger, and granted the ſame to the Earl of Holland; and in a proclamation dated 25th May following, this King, complaining that the former proclamations of his Father had not been carried into due execution, and that the weightieſt and beſt Moneys were culled out and molten down, ſo that there was a great ſcarcity, particularly of Silver Coin, and that ſuch as remained was greatly " enfeebled;" and that the price of Silver at the market being raiſed above the price, at which it was valued at the Mint, no Silver Bullion was brought to it, becauſe the merchants loſt thereby; therefore ordered, *that no perſon, except the ſaid Earl of Holland, ſhould preſume to exchange or buy any manner of Bullion in any ſpecies of foreign Coin, or in Ingots, or in any other form whatſoever.* He alſo confirmed all the before-mentioned proclamations of his Father, and iſſued long inſtructions for carrying ſtrictly into

Rymer, vol. 18. p. 896.

into execution this proclamation, as well as thoſe of his Father.

By a decree in the Star Chamber Court on the 7th February 1636, ſeven perſons, convicted of culling out the moſt weighty Pieces of the Coin of this realm, and melting them down, and exporting the ſame, as well as foreign Coin and Bullion, to foreign parts, were fined 8,100l, and committed priſoners to the Fleet till they paid the fines ſo ſet upon them. It is aſſerted, that individuals had by thoſe practices made a profit of 7 or 8,000l per annum. There were ſeveral other proceedings for offences of this nature, in the Court of Star Chamber; and ſome men of great conſideration in the commercial world, who were accuſed of theſe practices, received the King's pardon. Ruſhworth's Hiſtorical Collections, vol. 2. p. 350.

But notwithſtanding the proclamations before mentioned, and the ſeverities exerciſed for enforcing the execution of them, it appears, from a writer who lived in thoſe times, that Silver, either in foreign Coin or Bullion, was ſold during the whole of this reign at 1d, 2d, 3d, &c. per oz. above the Mint price; and he alledges, that 30,000l in Sixpences, Shillings, and Half Crowns, were melted annually by one ſingle Goldſmith, for ſix years together, from 1624 to 1630. Violett's humble Declaration, &c. 4to. 1643, p. 23. Violett's Propoſals to Oliver Cromwell, fol. 1656, p. 89.

In the reign of Charles I. Lord Cottington, by virtue of a commiſſion under the Great Seal, made an advantageous contract with the King of Spain for bringing Silver into England. A great quantity was imported; and in conſequence of the conditions impoſed on the merchants, who were parties to See Leake on Coins, p. 301.

this contract, a conſiderable proportion of it was brought to the Mint to be coined, from 1630 to 1643. This meaſure, though of an extraordinary nature, appears to have been the moſt effectual remedy for affording a ſupply of Silver Coin, that was adopted in the courſe of that reign.

On the 18th March 1640, information was given to the Houſe of Commons of the exportation of Coin; and they appointed a Committee to take the ſame into conſideration. Mr. Violett, who during this time wrote many treatiſes on Coin, was ordered to attend, together with other perſons: but it does not appear from their proceedings that they did any thing effectual in this buſineſs.

Commons Journals, vol. 5. p. 286.

On the 1ſt September 1647, the Parliament again took this ſubject into conſideration; they ordered a declaration to be prepared for the ſecurity of ſuch merchants as ſhould bring any Bullion into the Tower; and the Lords and Commons paſſed an ordinance, on the 6th September in that year, prohibiting the currency of any clipped or unlawful diminiſhed Silver Coins; but declaring that ſuch diminiſhed Silver Coins might be received in payments for a limited time at 4s 10d per oz. Troy, or 4s 4½d per oz. Avoirdupoiſe.

See Scobel's Collection, p. 132.

There is an entry in the Journals of the Houſe of Commons, on the 3d November 1647, permitting the exportation to the Eaſt Indies of 6,000l in foreign Coin and foreign Bullion of Silver; which clearly proves that the Parliament at this time would not ſuffer even foreign Coin and Bullion, without their permiſſion, to be exported from this country.

The

The foregoing facts have been ſtated as proofs of the diſtreſſes, which prevailed during thoſe times, in the monetary ſyſtem of the kingdom, and of the embarraſſments, to which the commerce of it was on that account expoſed. Many of the remedies then applied are precedents by no means worthy of imitation. Further proofs, if they were neceſſary, might be adduced from the Records, the Journals, and the Pamphlets then publiſhed; but it is proper to obſerve, that the general hiſtories of thoſe times are, as uſual, very deficient in information of this nature.

It happened, however, that the evils reſulting from an imperfect eſtimation of the relative values of the two precious metals, by degrees diminiſhed; for during the whole of this period the price of Gold continued gradually to riſe, and at length became ſo high, as to adminiſter a complete remedy, by preventing the exportation of the Silver Coin. It is impoſſible, at this diſtance of time, to ſay preciſely when this event took place; it probably happened about the commencement of the government of the Commonwealth; for it appears, by the beſt account that can be procured, though it is not official, of the quantity of Money coined at the Mint from the year 1649 to 1658, that much more Silver was then brought to the Mint than Gold. The quantity of Silver coined there during that period is ſtated by Sir William Davenant at 1,000,000l; the quantity of Gold coined there during the ſame period is ſtated by another writer at no more than 154,000l.

See Davenant's Diſcourſes, p. 33 to 39.

However, the price of Gold compared with that of Silver continued ſtill to riſe; ſo that Charles II. was under the neceſſity,

ceſſity, ſoon after the Reſtoration, that is in 1663, to raiſe the value of Gold in his Coins. It has already been ſtated, that the weight of the 20s Piece, which in the 17th James I. was 5 dwts. 20½ grs. was reduced by Charles II. to 5 dwts. 9½ grs. and this was a riſe in the value of Gold of $8\frac{22}{41}$ per cent. This laſt mentioned Coin, ſince called a Guinea, was ordered in the Mint Indenture to paſs for 20s; but it immediately became current at a higher rate, by general conſent, without any authority from Government. Mr. Locke, and other writers, who lived during theſe times, aſſerts, that during the reigns of Charles II. and James II. the Guinea paſſed at from 21s to 22s; and Mr. Locke further adds, "that the Gold Coins varied "in their value according to the current rate;" that is, according to the relative value of Gold to Silver at the market. The ſubjects of this country paid no attention on this occaſion to the rate ſet upon theſe Coins in the Mint Indenture. There is indeed an order in the Council Books, directing the Attorney General to prepare a proclamation for making theſe new Coins current, according to the rate preſcribed in the Mint Indenture: but it does not appear that any ſuch proclamation was ever iſſued, or that any other meaſure was taken to enforce obedience to the intention of Government, as expreſſed in the ſaid Indenture.

Thoſe who adviſed their Sovereign no further to interpoſe his authority on this occaſion, certainly acted wiſely; for if he had obliged the people to receive theſe Gold Coins at the low rate before mentioned, they would certainly all have been melted down and exported, as faſt as they were iſſued from the Mint; and the additional value, which the people gave to, theſe

theſe Gold Coins, above the nominal value, at which they were rated in the Mint Indenture, evidently proves, that the public was then diſpoſed to meaſure the value of every thing bought and ſold, by the Silver Coins, as beſt adapted to the ſtate of our commerce at that time. Theſe Gold Coins therefore took their natural or intrinſic value, compared with thoſe of Silver, and roſe in their price in like manner with every other commodity.

In the reigns of Charles II. and James II. the Silver Coins, of which the old hammered Money conſtituted a conſiderable part, had been gradually diminiſhed, by clipping, and other frauds. In the beginning of the reign of King William III. theſe practices increaſed rapidly; and the Silver Coins were in general become ſo very defective, that it was found, upon experiments made by the Officers of the Exchequer, in the year 1695, that they wanted, upon the whole, nearly one half of their weight. The great evils, to which the people, as well as the Government, were thereby expoſed, are fully deſcribed by Mr. Lowndes, who was then Secretary of the Treaſury, in a Report made by him on the 12th September of that year, to the Lords Commiſſioners of his Majeſty's Treaſury. He informs their Lordſhips, "that in conſequence "of the defective ſtate of the Silver Coin, great contentions "daily aroſe among the King's ſubjects, in fairs, markets, "ſhops, and other places throughout the kingdom, to the "diſturbance of the public peace;—that many bargains and "dealings were totally prevented and laid aſide, which leſ- "ſened trade in general;—that perſons, before they con- "cluded any bargain, were neceſſitated firſt to ſettle the price

See a Table at the end of Mr. Lowndes's Report on the Silver Coins, in which theſe experiments are accurately ſtated.

or

" or value of the very Money they were to receive for their " goods; and that they ſet a price on their goods accordingly; " —that theſe practices had been one great cauſe of the raiſing " the price, not only of all merchandiſes, but of every article " neceſſary for the ſuſtenance of the common people, to their " great grievance[a];—that the receipt and collection of the " public taxes, revenues, and debts, were extremely retarded, " to the damage of his Majeſty, and to the prejudice of a " vigorous proſecution of the war; ſo that there never were " in his remembrance ſo many bonds given and lying unſatiſ- " fied at the Cuſtom Houſe, or ſo vaſt an arrear of exciſes;— " that, from the ſame cauſe, many complaints were daily tranſ- " mitted from the Commiſſioners, Receivers, and Collectors " of the land-tax." And in proof of the degree to which the receipt of that tax had been affected, by the defective ſtate of the Coin, Mr. Lowndes referred the Lords of the Treaſury to the account of the ſum brought into the Exchequer in the courſe of that year, compared with the timely payments of the like tax in preceding years. With reſpect to the foreign commerce, Mr. Lowndes obſerves, " that the exchange with " the Low Countries was fallen ſo very low, that the public " loſt about four Shillings in the Pound upon all Monies re- " mitted thither;—that the exchange to Hamburgh and the " Eaſt countries for all naval ſtores and other goods was ſtill " lower; and to all places in the Mediterranean, the ex- " change was yet more to the prejudice of this country; and

[a] Mr. Locke, in his Anſwer to Mr. Lowndes, confirms this account of Mr. Lowndes, that all ſorts of proviſions and commodities had riſen exceſſively.

that

" that there were very great loſſes, on that account, in remit-
" ting Money for the payment of our fleets and armies :"
and he further obſerves, " that the price of Silver in Bullion
" was riſen to 6s 5d per ounce, and that the Guinea having
" riſen to 30s, paſſed in currency at a much higher value than
" the price of Silver in Bullion would then juſtify [a]." The
conſequence was, that all the Silver Bullion in the kingdom,
that could be collected, inſtead of being brought to the Mint,
was exported in return for Gold Bullion, in which foreigners
made their payments to their own advantage, and to the great
detriment of the merchants and manufacturers of this coun-
try, who had any commercial intercourſe with them.

Such was the alarming ſituation of the kingdom at a pe-
riod when it was engaged in a foreign war, on the ſucceſs of
which depended the preſervation of our liberties, and all the
benefits derived from the Revolution. Among the various
parties, into which the kingdom was at that time divided,
there was not one, which did not think that ſome remedy was
abſolutely neceſſary. Many propoſitions were made. Two of
theſe moſt attracted the attention of the public ; one, offered
by Mr. Lowndes, who had long been Secretary of the Trea-
ſury ; the other, by Mr. John Locke. The conduct of this
difficult buſineſs fell to the lot of Mr. Charles Montague, then
Chancellor of the Exchequer. He followed principally the
plan propoſed by Mr. Locke, and called to his aſſiſtance Mr.
Newton, afterwards Sir Iſaac Newton, whom he then made

[a] Silver Bullion had riſen in price 24$\frac{1}{3}$ per cent. The Gold Coin in tale had riſen about 36$\frac{1}{3}$ per cent.

Warden

Warden of the Mint, and Dr. Halley. The kingdom was then divided chiefly into two great factions; ſo that from political motives Mr. Montague met with oppoſition in every meaſure he propoſed. He loſt, in the Houſe of Commons, at firſt, many queſtions, eſſential to the ſucceſs of his meaſures; but by bringing the ſame propoſitions repeatedly under the conſideration of the Houſe, he at laſt carried them, though with very ſmall majorities.

The old hammered Coins, which had been moſt reduced, began at this time to be exchanged for ſuch of the remaining Silver Coins as were more perfect, and leſs clipped, at a premium. The firſt meaſure therefore, which the Parliament adopted, was to paſs an Act, forbidding the receiving or paying of any *broad Silver Money*, or Silver Money unclipped, of the Coin of this kingdom, for more than its nominal value in tale. But this meaſure produced another evil; for, in conſequence of it, all the perfect and unclipped Silver Coins began to be hoarded, ſo that they appeared no longer in circulation; and as the Parliament had not forbidden the exchange of the deficient or clipped Silver Coins for Guineas, or other Gold Coins, the former were then exchanged for the Gold Coin; and the Guinea, which had paſſed before generally for 21s 6d, or 22s, began now to paſs for 30s; and it would have riſen to a greater value, if the Officers of the Exchequer, and the Receivers of the public revenue, had not refuſed to receive it in payment, at a higher rate. To remedy this laſt evil, the Parliament paſſed two Acts, mentioned in a former part of this Letter, forbidding firſt the currency of Guineas at any higher rate than 26s each; and afterwards, at any higher rate than

6th and 7th William III. ch. 17. ſec. 2.

See Mr. Lowndes's Report, p. 114. See alſo Mr. Locke's Eſſay.

7th and 8th William III. ch. 10. ſec. 18.

than 22s each. They alſo paſſed an Act, ſuſpending, for a limited time, the coining of Guineas; and as it was foreſeen, that Guineas, either ſuch as had been formerly remitted to foreign countries, or had been counterfeited abroad, would be imported in great quantities, the Parliament at the ſame time prohibited the importation of Guineas.

7th and 8th William III. ch. 19. ſec. 12.

7th and 8th William III. ch. 13.

To ſupport the currency of the clipped and deficient Silver Coins, the Parliament enacted, that all taxes and debts due to the Crown, for exciſe, cuſtoms, &c. and the whole year's land-tax, might be paid to the collectors, at any time before the 4th May 1696, in the clipped Coins; and that all loans of Money, borrowed on the authority of Parliament, might alſo be paid in the clipped Coins, as if the ſame were good and lawful Money, unleſs otherwiſe ſpecially directed. And in ſubſequent Acts the remainder of the clipped Coins was ordered to be received at the Mint, and by the Receivers of the public revenue for a limited time, by weight, but at a value exceeding the Mint price of Bullion.

7th and 8th William III. ch. 1.

8th William III. ch. 2.

8th and 9th William III. ch. 6.

To give additional credit to the new Silver Coins, as ſoon as they ſhould be iſſued, the Parliament enacted, that the clipped Money "ſhould be recoined by the Mill and Preſs into "current Money of this realm, to hold ſuch weight and fine- "neſs as are preſcribed by the preſent Indenture of the Mint, "which weight and fineneſs are declared to be, and ſhall re- "main to be, the ſtandard of, and for the lawful Silver Coin "of this realm."

8th William III. ch. 1. ſec. 2.—This clauſe of the Act is not printed in the common edition of the Statutes.

Encouragements were at the ſame time given for bringing

7th and 8th William III. ch. 19. ſec. 2.

Plate to the Mint, and 6d for every ounce of ſtandard Silver ſo brought in was to be paid as a premium: and all perſons keeping inns, or other public houſes, were forbidden to have any Silver Plate in their houſes, except ſpoons. It was further enacted, that no Bullion, either of Gold or Silver, in Ingots, or otherwiſe, ſhould be exported, except upon proof before the Lord Mayor of London, that the ſame was not made of the Coins of this realm, or clippings thereof, or of Plate wrought within the kingdom. They permitted, however, Bullion, equal in value to 200,000l ſterling, to be exported by licence from the King, for the payment of his Majeſty's forces in foreign countries.

As it was of great importance to bring the new Silver Money into currency as ſpeedily as poſſible, the Recoinage was carried on not only at the Tower, but Mints were eſtablished for this purpoſe in different parts of the country, and perſons of ſcience were ſent to theſe Mints, to ſuperintend and control the operations there carried on.

This important buſineſs was very far advanced in the firſt two years; but it appears by accounts received from the Officers of the Mint, that four years were neceſſary for the completion of this Recoinage. The quantity of Silver Coins made on this occaſion amounted in tale to 6,812,908l 19s 7d; of which, 5,091,121l 7s 7d was coined at the Tower, and 1,791,787l 12s was coined at the country Mints.

I have not been able to find, in any public office, an account of the whole charge and loſs, which the public incurred

curred by this Recoinage. The Officers of the Mint have indeed furniſhed an account of the charges for the making or fabrication of the new Money, or what may properly be called the Mint charges. They amounted to 179,431l 6s; but the loſſes ſuſtained by the receipt of the principal part of the clipped and deficient Coins, at their nominal value, as well as the charge for premiums paid to induce perſons to bring in the remainder, and to bring Plate and Bullion to be coined, are no where ſtated with any certainty. It is preſumed however, that theſe charges and loſſes could not amount in the whole to leſs than 2,700,000l.*

* It appears, that the actual quantity of Silver Money either recoined or made of Plate, brought to the Mint, was 6,882,908l 19s 7d. If we ſuppoſe, that only two thirds of this ſum, that is, 4,588,605l 19s 8⅓d, were worn and clipped Coins, which were diminiſhed nearly one half, and received at the Exchequer in payment of the public revenues, and of loans, at their nominal value, the loſs to the public on this account would amount to 2,294,302l 19s 10⅔. If again we ſuppoſe that the remaining third being 2,294,302l 19s 10⅓d, coſt the public no more than 6d per ounce, or about 10 per cent., this is a further loſs to the public of 229,430l. Add to this the charges of coining, or Mint charges, amounting to 179,431l 6s. Theſe three ſums make together 2,703,164l 5s 10⅓d. This is a very moderate eſtimate of the whole loſs incurred by the public by this Recoinage. Mr. Lowndes, in his Report to the Lords of the Treaſury, eſtimated the quantity of the worn and clipped Silver Money, then current, at 4,000,000l; and the loſs, which the public would incur by recoining it according to the old ſtandard, at 2,000,000l. Anderſon, in his Hiſtory of Commerce, ſays, that the Recoinage coſt near 3,000,000l. The common hiſtories eſtimate it at 2,200,000l. It does not appear from the Journals, that the Parliament ever voted ſo large a ſum, expreſsly for this purpoſe; but it is probable, that a conſiderable part of this loſs ſhewed itſelf only in deficiencies of ſeveral branches of the revenue; and that the Houſe of Commons, in making it good, did no more than vote ſums to ſupply theſe deficiencies. It is extraordinary, however, that no account

Great as this charge was, the loſſes which the Government, as well as the people of this kingdom, continued daily to ſuffer, till the Recoinage was completed, juſtified almoſt any expence, which might be incurred for their relief. To the great loſſes already ſtated, as occaſioned by the defective ſtate of the Silver Coin, it may be proper to add, that in every contract made by Government, or individuals, the deficiency of the Coin muſt have been taken into conſideration, and the price of every article augmented, probably in a much greater proportion, than this deficiency would juſtify.

Mr. Locke, whoſe advice on this occaſion was principally followed, as before obſerved, had conſidered the ſubject with that depth of thought, by which all his writings are diſtinguiſhed; and he had treated of it in a philoſophical and ſpeculative view, with great ability; but he appears not to have adverted to many circumſtances of a practical nature, neceſſarily connected with this ſubject; and it is probable that he was not well informed of the hiſtory of our Coins, which would have pointed out theſe circumſtances to him. He aſſerted as a certain fact, "that Silver Coins made the Money "of Account, or Meaſure of Commerce, in England and the "neighbouring countries." How far this aſſertion is well founded, we ſhall have occaſion to ſhew hereafter. He then laid it down as a principle which could not be controverted, that "an ounce of Silver, whether in Pence, Groats, or Crown

See Mr. Locke's Letter to a Member of Parliament in 1691.

ſhould have been made out at that time, of the actual loſs occaſioned by the Recoinage; or if any ſuch account was made out, that it ſhould not have been preſerved in ſome of the public offices.

"Pieces,

" Pieces, Stivers or Ducatoons, or in Bullion, is, and always " eternally will be, of equal value to any other ounce of Sil- " ver, under what ſtamp or denomination ſoever." Of this principle there can be no doubt: but from theſe two premiſes he drew the following concluſions:

Firſt, That the high price of Silver Bullion at that time was to be aſcribed to the defective ſtate of the Silver Coins then in currency; and that whenever the Silver Coins were reſtored to their due weight, the price of Silver Bullion would fall, ſo as to be nearly the ſame as that, at which it was valued at the Mint. Secondly, that the Gold Coins, if their value in currency was not fixed by public authority, would paſs in payment, with reference to the Silver Coins, *according to the current rate*; that is, according to the relative value of Gold to Silver at the market.

If the concluſions reſulting from the foregoing premiſes were univerſally true, and had operated on the preſent occaſion to their full extent; it is certain, that as the Silver Coins then wanted nearly one half of their weight, the price of Silver in Bullion ſhould have riſen in the ſame proportion; that is, to about 10s per ounce: and that the Guinea ſhould have riſen to nearly twice the value, at which it had hitherto paſſed in currency, that is, to about 44s; but neither of theſe conſequences happened. The price of Silver in Bullion roſe to no more than 6s 5d per ounce; and the Guinea roſe only to the value of 30s. It is true, that the further riſe of the Guinea was prevented, by orders given to the Officers of the Exchequer, and to the Receivers of the public revenue, not

to

to receive it in payment at a higher rate; and ſome time afterwards the value of the Guinea was ſtill further limited, by the two Acts of Parliament, as before mentioned.

As the Silver Coin was ſo very defective, before the general Recoinage was undertaken, and as during this Recoinage there could have been very little of it in currency, it is certain, that the Silver Bullion, which was then purchaſed, muſt have been paid for principally in the Gold Coin. It was natural therefore to expect, that Silver Bullion would have taken its price in due proportion, with reference to the current value of the Gold Coin. But it is ſingular, that as the Gold Coin had not taken its value in a due proportion with reference to the deficient Silver Coins, ſo Silver Bullion did not take its price in a due proportion with reference to the current value of the Gold Coins. The Gold Coins, though they had riſen $36\frac{4}{11}$ per cent. paſſed in currency at $46\frac{2}{3}$ per cent. leſs than their true value, compared with the deficient ſtate of the Silver Coins; and Silver Bullion, though it had riſen $24\frac{6}{31}$ per cent. was then ſold at $9\frac{677}{847}$ per cent. leſs than its true value, compared with the current value of the Gold Coins.

Mr. Lowndes ſays, that the Guinea then paſſed at 30s, *with the almoſt unanimous conſent and agreement of the common people;* and he adds, that there was *no other viſible reaſon* for this extraordinary riſe in the value of the Gold Coins above the price at which Silver Bullion then ſold, except the *danger and vexation*, which the people had experienced from every Money tranſaction in the clipped and deficient Silver Coins.

Whatever

Whatever may have been the cauſes of theſe ſtrange incongruities in the value of the Gold and Silver Coins, and of the price of Bullion with reference to theſe Coins, as before ſtated, they ſerve at leaſt to prove, that the events, which then happened, by no means correſponded with the concluſions, which, in Mr. Locke's opinion, reſulted from the principles laid down by him, and on which he ſo much relied. They afford alſo ſtrong reaſon to infer, that there are other cauſes, which may ſometimes influence the value of Coins, while they are current only within the realm, as well as the price of the precious metals in reference to them, beſides the intrinſic value of the metal in ſuch Coins[a].

It may however be ſaid, that thoſe were times of confuſion, and that no principles, however true, were likely in ſuch times to produce their full effect. Let us ſee then what effect theſe principles produced, when the Recoinage was completed, and when all the clipped and deficient Silver Coins were driven out of circulation, and ſuch only as were thought to be perfect were permitted to be current.

When the Recoinage of the Silver Coin was completed, the price of Silver Bullion did not even then fall, ſo as to be nearly[b] the ſame as the Mint price; and the Guinea, the

[a] There cannot be a ſtronger proof of the truth of this obſervation, than that which is afforded by the currency of the preſent deficient Silver Coins, which now circulate at their nominal value, and even ſometimes bear a premium, though they are deficient, to the degree that will be ſtated hereafter.

[b] Whenever the balance of commerce is againſt this country, and there is a want of Bullion to be exported, Bullion will always ſell at a ſmall advance above

value of which in currency had been reduced by an Act of Parliament to 22s, became current, without any interpoſition of public authority, at 21s 6d; but it did not fall in ſo great a degree as it ought to have fallen, according to the relative value of Gold to Silver at the market. The conſequence was, that the new Silver Coins were immediately melted down and exported; and though 6,882,908l 19s 7d in tale had been lately coined, the moſt conſiderable part of this great ſum, in the courſe of eighteen years, diſappeared, and the public were deprived of the uſe of it; ſo that Sir Iſaac Newton, in his Report of the 21ſt September 1717, ſays, "that if Silver "Money ſhould become a little ſcarcer, people would in a "little time refuſe to make payments in Silver, without a "premium." Another conſequence reſulted from the ſame cauſe; very little Silver Bullion was brought to the Mint to be coined. From the year 1699, when the general Recoinage was completed, to the end of the year 1717, no more than 674,831l 15s 9¼d in tale was coined; and of this ſum 320,372l 12s were ancient Scottiſh Silver Coins, or foreign Coins permitted to be current in Scotland before the Union, which were recoined at Edinburgh into Coins of the Engliſh

above the price at which it is valued at the Mint, in conſequence of the laws prohibiting the exportation of Coin. This advance muſt always be ſufficient to compenſate the riſk of melting down or exporting the Coin, and this compenſation is generally eſtimated at about 1 per cent. And whenever the demand for Bullion to be exported is very great, the price of it will riſe ſtill higher, and it is probable that the value of the Coin would in ſuch caſe riſe in a like proportion, if that value was not limited by public authority. In ſuch caſe however there will be always a greater temptation to melt down and export the Coin.

ſtandard.

ſtandard, by virtue of the Treaty of Union. Two other parts of this ſum, that is, 78,811l 6s, coined in the year 1709, and 76,780l 16s, coined in the year 1711, were principally made of Plate, brought to the Mint in conſequence of ſpecial encouragements then given. From the Plate ſo brought in 144,000l was converted into Coin, and only 11,592l 2s was coined from Silver Bullion brought into the Mint in the uſual courſe, during theſe two years: ſo that the natural or ordinary coinage of Silver, during this period of eighteen years, amounted to no more than 210,459l 3s 9½d.

Martin Folkes, Table of Engliſh Silver Coins, p. 131. Note.

The exportation of the Silver Coins was at that time occaſioned by the high price of Silver Bullion at the market, and by the high rate, at which the Gold Coins continued to be current, compared with that of the Silver Coins. The high rate of the Gold Coins, to which the people then voluntarily ſubmitted, can only be aſcribed to the preference, which at that time began to be given to the uſe of Gold Coins in all payments, at leaſt of conſiderable amount. It is evident, that during the late Recoinage the common people had become accuſtomed to the uſe of the Gold Coins; and the reaſon, which induced them ſtill to prefer them, was perhaps the convenience of making large payments in Coins of that metal. This change, from what had been the caſe in the reign of Charles II. was probably owing to the great increaſe in the commerce of the country, and to an augmentation in the price of every commodity, ſo that payments in general required Coins made of the moſt valuable metal. The fact certainly is, that from this period the Gold Coins began to take the aſcendency, and to become the more uſual inſtrument of

commerce and meaſure of property, in preference to the Silver Coins. In the reign of King William, when the Silver Coins were ſo very deficient, Mr. Locke had ſaid, *It is no wonder, if the prices and value of things be confounded and uncertain, when the Meaſure itſelf is loſt.* To reſtore this Meaſure the public had expended 2,700,000l. But notwithſtanding ſo great an expence, this Meaſure of Property, in the lapſe of a very few years, was a ſecond time loſt, and had again no exiſtence, unleſs it had paſſed into the Gold Coin.

In this ſtate were the Coins of this kingdom in the year 1717, when the miniſters of George I. alarmed at the great diminution of the Silver Coins, which had been made in ſuch great quantities not twenty years before, took the ſubject into conſideration. They applied to Sir Iſaac Newton, then Maſter of the Mint, for his advice. The ſubject was referred to him, and he reported, " that the principal cauſe of the exportation " of the Silver Coin was, that a Guinea, which then paſſed " for 21s 6d, was generally worth no more than 20s 8d, ac- " cording to the relative value of Gold to Silver at the market, " though its value occaſionally varied, and it might be worth " ſomething leſs, whenever there was a great demand for the " export of Silver, particularly to the Eaſt Indies, and perhaps " ſomething more, whenever a Plate fleet was juſt arrived " from Spaniſh America." He then ſuggeſted, that 6d *ſhould be taken off from the value of the Guinea, in order to diminiſh the temptation to export and melt down the Silver Coin; acknowledging however that* 10*d or* 12*d ought to be taken from the Guinea, in order that Gold may bear the ſame proportion with the Silver Money in England, which it ought to do by the courſe*

courſe of trade and exchange in Europe. This propoſal of the Maſter of the Mint may be conſidered as a ſecond attempt to reſtore to the Silver Coin the quality of a meaſure. But it is evident, that Sir Iſaac Newton, who was no leſs diſtinguiſhed for modeſty, candour, and caution, in every opinion which he advanced, than for the accuracy and ſtrength of his underſtanding, and for the large and extenſive view which he took of every ſubject that came under his conſideration, offered this propoſal only *as an experiment;* and he adds, that the effects of this meaſure *would ſhew hereafter, better than can appear at preſent, what further reduction would be moſt convenient for the public.* This great man appears to have been appriſed of the fluctuation which frequently happens in the relative value of the two precious metals; and he was probably apprehenſive, that if the rate, at which the Gold Coins were to paſs, had then been reduced, in full proportion, compared with the value of the Silver Coins, there would be the greateſt danger[a] that theſe Gold Coins, which were at that time almoſt the only inſtrument of commerce remaining in the kingdom, might in their turn be melted down and exported; and yet, if they were not lowered ſtill further, the Silver Coins would, in a degree, be ſubject to the ſame evils as before.

In purſuance of the advice of Sir Iſaac Newton, the Lords of the Privy Council recommended to His Majeſty, King

[a] When the value of the Gold Coins is in exact proportion with that of the Silver Coins, the Gold Coins will certainly be exported before the Silver Coins, becauſe the bulk of the Gold Coins is leſs than that of the Silver Coins, and conſequently there is leſs riſk, trouble, and charge, in exporting them.

George I. to lower, by proclamation[a], the value of the Guinea to 21s; and the other Gold Coins in proportion. By this meaſure, which gave in effect the legal value of 21s to a Piece originally intended to be current at 20s, the value of fine Gold, compared with that of fine Silver, was eſtimated, in the Coins of this country, as $15\frac{2849}{13640}$ to 1; and this laſt riſe in the value of fine Gold compared with fine Silver was 5 per cent.; and the whole riſe in the value of Gold from the 1ſt James I. that is, in a ſpace of 115 years, was $39\frac{32}{67}$ per cent.; conſiderably more than one third.

But the Lords of the Privy Council, in executing this meaſure, did not conform to the principle adopted by Parliament, in the 7th and 8th of William III. of leaving the Guinea and other Gold Coins to be paid or received at any value under the rates by them limited. In the proclamation iſſued on this occaſion, it was not ſimply ſaid, that each Guinea *ſhould not paſs for more than* 21s, and the other Gold Coins in proportion; but it is expreſsly declared, *that the ſaid reſpective Pieces of coined Gold ſhall be current at the rates and values then ſet upon them.* By this injunction, the Guinea and all the other Gold Coins became legal tender, at the rates therein declared. They could no longer vary in their value, according to the relative value of Gold to Silver, as they had varied ſince the year 1663.

But though the Guinea was then reduced to 21s, from

[a] In all the Mint indentures from the 15th of Charles II. the Guinea had been called a Twenty Shilling Piece; and it was ordered to paſs at that rate. But on this occaſion a new indenture was made, dated 6th May 1718, in which this Piece of Gold Coin was called a Guinea, or a Twenty-one Shilling Piece; and it was ordered to paſs for twenty-one Shillings Sterling.

21s. 6d,

21s 6d, it was ſtill rated at a higher value than it ought to be, compared with the Silver Coins, by at leaſt 4d, or $1\frac{19}{21}$ per cent. Experience has proved, that when Coins of two metals are made legal tender at given rates, thoſe who have any payments to make, will prefer to diſcharge their debts or obligations, by paying in that Coin which is over-rated. From that period, therefore, all conſiderable payments have been made in the Gold Coin; and the Silver Coins have generally ſerved only in making ſmall payments, or in exchange for the fractional parts of the Gold Coins. It has before been obſerved, that, previous to this proclamation, the people were diſpoſed to make their payments in the Gold Coins, in preference to thoſe of Silver. This laſt meaſure tended to confirm what was before the diſpoſition of the people, and gave the Gold Coins a complete aſcendency in the currency of the kingdom; and the Silver Coins have ſince become a mere repreſentative of the Gold Coins, for the purpoſes before ſtated. The greateſt part of the good and weighty Silver Coins, which then remained, have ſince been melted down and exported. And it appears by the accounts preſented by the Officers of the Mint, that from the year 1717 to the end of the laſt century, that is, in a period of eighty-three years, no more than [a] 584,764l 17s 5½d in tale of Silver has been coined: and from the year 1760 to the end of the ſame century, that is, in a period of forty years, no more than 63,983l 15s 5d in tale has been coined; and the Silver currency has gradually fallen into its preſent ſtate of imperfection.

[a] A conſiderable part of this Silver Coin was made from the Silver brought into the kingdom by Lord Anſon, taken in the Acapulco ſhip. Other parts were produced from Silver taken in other prizes.

I have

I have now completed the account of the alterations and debaſements made in the Coins of the realm, under the two firſt heads; and will therefore proceed to treat of them under a third head, that is, by lowering the ſtandard or fineneſs of the metal, of which the Coins were made; or, in other words, by diminiſhing the quantity of pure metal, and proportionally increaſing the quantity of alloy. The reaſons for treating this part of the ſubject under a ſeparate head have already been aſſigned. The whole of theſe extraordinary tranſactions were indeed a convulſion in the monetary ſyſtem, which never happened in this kingdom, except in the ſhort period from the 34th Henry VIII. to the 6th Edward VI. But this mode of debaſing Coins has been frequently practiſed in other countries, particularly in France, during the reigns of Philip de Valois, of his ſon John, who was ſome time a priſoner in England, of Charles VI. and of his ſon Charles VII. During a great part of the reign of theſe Sovereigns, the kingdom of France was diſtracted by internal factions, and by the invaſions of the Engliſh under thoſe great Monarchs Edward III. and Henry V; and the French Kings before mentioned were in great want of revenue to reſiſt the wars, that were then ſucceſsfully waged againſt them.

It is proper to begin by obſerving, that Henry VIII. in the 18th year of his reign, that is, in the year 1527, had ordered, that the Tower Pound ſhould no longer be uſed in his Mints, and had adopted the Troy Pound in its ſtead. The only reaſon, that can be aſſigned for this change, is, that his Father, Henry VII. had, in the 11th and 12th years of his reign, by ſtatutes enacted "for the purpoſe of regulating weights and

"meaſures,"

meaſures," introduced the Troy Pound into more general uſe, and made it the ſtandard, by which all other weights were to be regulated; and Henry VIII. may perhaps have thought it right, on that account, to order, that the ſame ſort of weight ſhould be uſed in his Mint. This King, in his 34th year, that is, in the year 1543, began to debaſe the ſtandard of the Silver put into his Coins, by reducing the old ſtandard of 11 oz. 2 dwts. fine, and 18 dwts. alloy, to 10 oz. fine, and 2 oz. alloy. He at the ſame time reduced in a ſmall degree the weight of his new Silver Coins, by putting into his Groats only 1 dwt. 16 grs. of Silver of the laſt mentioned ſtandard, inſtead of 1 dwt. 18 grs. of Silver of the old ſtandard, which had been the weight of them in his 18th year; and by theſe two different ſorts of debaſement he made the Pound of Silver of the old ſtandard paſs in tale for 2l 13s $3\frac{1}{4}\frac{11}{25}$d, inſtead of 2l 5s, at which it had paſſed in his 18th year; and the Pound in tale was thereby debaſed $7\frac{167}{999}$ per cent.

This King, in his 36th year, further debaſed the ſtandard of the Silver put into his Coins, by reducing it to 6 oz. fine, and 6 oz. alloy; and he thereby made the Pound of Silver of the old ſtandard paſs in tale for 4l 8s $9\frac{1}{2}\frac{1}{3}$d; and the Pound in tale was thereby further debaſed $16\frac{16}{999}$ per cent.

The ſame King, in his 37th year, again debaſed the ſtandard of the Silver put into his Coins, by reducing it to 4 oz. fine, and 8 oz. alloy; and he thereby made the Pound of Silver of the old ſtandard paſs in tale for 6l 13s $2\frac{1}{4}\frac{1}{3}$d; and the Pound in tale was thereby further debaſed $8\frac{8}{999}$ per cent. The Silver Coins of this Monarch continued in this ſtate till his demiſe.

Edward

Edward VI. during the four firſt years of his reign, continued his Silver Coins upon the ſame footing, on which his Father had left them. But in his fifth year he debaſed the ſtandard of the Silver put into his Coins, by reducing it to 3 oz. fine, and 9 oz. alloy; and he thereby made the Pound of Silver of the old ſtandard paſs in tale for 13l 6s $4\frac{1}{4}\frac{1}{3}$d; and the Pound in tale was thereby further debaſed $8\frac{8}{999}$ per cent. As, during theſe debaſements, the ſeveral Coins continued nearly of the ſame weight as they were before, the diminution of fine Silver was in a great degree compenſated in weight, by a proportional quantity of alloy. It is proper alſo to obſerve, that Edward VI. in the 3d year of his reign, made Shillings of a better ſtandard than his other Silver Coins, that is, of 6 oz. fine, and 6 oz. alloy. He is ſuppoſed alſo to have made a few Shillings of a ſtill better ſtandard, but he diminiſhed the weight of ſuch Shillings, ſo as to make their intrinſic value to be the ſame as that of his other Coins, of which the metal was more debaſed.

It has been already ſhewn, that Henry VIII. in the 18th year of his reign, had made an alteration in the ſtandard of the Gold in ſome of his Gold Coins, by reducing it to 22 carats fine, and 2 carats alloy. In his 37th year he further reduced the ſtandard of the Gold put into ſome of his Coins, to 20 carats fine, and 4 carats alloy.

Edward VI. in the 5th year of his reign, followed the example of his Father, by making his Gold Coins of 20 carats fine, and 4 carats alloy; but he afterwards reverted to the former ſtandard of 22 carats fine, and 2 carats alloy, called the

the new ſtandard, and made no more Gold Coins of an inferior ſtandard.

Henry VIII. in the 36th year of his reign, reduced the weight of his 20s Pieces of Gold of the new ſtandard from 8 dwts. 8 grs. to 8 dwts.

Edward VI. in the 3d year of his reign, again reduced the weight of theſe 20s Pieces of the new ſtandard, by making them of 7 dwts. $1\frac{1}{2}$ grs. And in his 4th year he raiſed the nominal value of the Sovereigns of the old ſtandard, which had for ſome time paſſed at 22s 6d, to 24s; and the other Gold Coins of this ſtandard in due proportion. He continued however ſtill to make his Coins of the old ſtandard of the ſame weight as they were before.

It is evident from what has been ſtated, that theſe two Monarchs, in the preceding debaſements, obſerved no proportion in the nominal value of their Gold and Silver Coins, compared with their intrinſic value. Theſe laſt were more debaſed, and were rendered intrinſically much leſs valuable than thoſe of Gold, compared with the nominal value, at which they were reſpectively made current. This great inequality will appear more clearly from the following table.

Fine Gold, compared with fine Silver, was eſtimated,

In the 36th Hen. VIII. as $6\frac{9}{11}$ to 1.

In the 37th Hen. VIII. as 5 to 1.

In the 3d Edw. VI. as $5\frac{5}{13}$ to 1.

In the 4th Edw. VI. as $4\frac{788}{955}$ to 1.
In the 5th Edw. VI. as $2\frac{394}{955}$ to 1.

The neceſſary conſequence reſulting from this diſproportioned and very unequal value ſet on the Gold and Silver Coins, was, that enormous profits were made by exchanging Silver Coins for Gold Coins at their reſpective nominal values.

This profit was,

In the 36th Hen. VIII.	-	$61\frac{1}{3}$
In the 37th Hen. VIII.	-	120
In the 3d Edw. VI.	-	$113\frac{9}{17}$
In the 4th Edw. VI.	-	$127\frac{1121}{1152}$
In the 5th Edw. VI.	-	$355\frac{545}{576}$

} per cent.

It followed that all the Gold Coins were in a ſhort time either hoarded, melted, exported, or in ſome way or other driven out of circulation. King Edward VI. in his Journal, acknowledges, that Gold Coins were not freely exchanged for thoſe of Silver without a premium; and Stowe, in his Survey of London, ſays, "that he had ſeen twenty-one Shillings current given for one old Angel to gild withal." It ſhould be remembered, that ten Shillings was the higheſt nominal value, at which the Coin called an Angel was made current during this period.

Stowe's Survey of London, vol. i. p. 88.

So great was the confuſion then introduced into the Coins of this country, that I have found it difficult to ſtate and explain, with any degree of perſpicuity, the ſeveral debaſements and

and alterations made in them; nor is it eaſy to conceive, in what manner any exchanges or payments could at that time be made. The fact is, that all commerce was nearly at a ſtand. The farmers were unwilling to bring proviſions to market; and when they offered them to ſale, they did not know what price to ſet upon them. Merchants and tradeſmen alſo greatly increaſed the price of every article, which they had to ſell. The Government tried every method to keep up the value of the debaſed Coins then in circulation, and proclamations were iſſued for that purpoſe, which were not obeyed. To enforce obedience, Parliament paſſed a law already quoted, for inflicting penalties on thoſe "who ſhould "exchange any coined Gold or coined Silver at a greater va- "lue than the ſame was, or ſhould be, declared by His Ma- "jeſty's Proclamation to be current for, within his domi- "nions." Other Proclamations were iſſued, for obliging perſons, under ſevere penalties, to bring their corn and proviſions to market, and for ſetting prices on all the neceſſary articles of conſumption. The Parliament paſſed laws for regulating the manner of buying and ſelling all ſorts of beaſts and cattle, as well as butter and cheeſe; and for limiting the prices, at which all ſorts of wine ſhould be ſold. There was an act alſo ſubjecting fuel to an aſſize, which, in order to exclude from this trade ſuch as were diſpoſed to monopolize, forbad any perſon to buy fuel, "except ſuch as burn it, or retail the "ſame." The law againſt regraters, foreſtallers, and engroſſers, which has ſome time ſince been repealed, was paſſed on that occaſion, and owed its origin to the obſtructions, to which every ſpecies of internal traffic was at that time expoſed. The farmers were diſpoſed to export to foreign coun-

5th and 6th Edward VI. ch. 19.

3d and 4th Edward VI. ch. 19.

3d and 4th Edward VI. ch. 21.

7th Edward VI. ch. 7.

5th and 6th Edward VI. ch. 14.

tries many of the moſt neceſſary articles of life, rather than bring them to the country markets to be ſold and exchanged for the baſe Coin; and on this account the exportation of theſe articles was prohibited.

It was however at length diſcovered, that no effectual remedy could be applied to the evils then exiſting, but a total reformation of the Coins of the realm. This meaſure was undertaken in the laſt year of the reign of Edward VI. It is extraordinary, that the miniſters of this Prince, who had hitherto committed ſuch groſs errors in debaſing the Coins of the kingdom, ſhould inſtantly adopt principles, which led to a ſyſtem, not perfect indeed, but nearly as perfect as any, to which the other nations of Europe have hitherto attained in their Coins; and they carried on this reform with ſo much diligence and vigour, that, even before the death of this King, it was in part executed, to the general ſatisfaction of the public. Queen Mary ſuffered the Coins to remain in nearly the ſame ſtate, in which her brother had left them: but Queen Elizabeth completed the plan of reform, which he had projected, and had begun to carry into execution.

Having thus preſented to Your Majeſty a ſhort hiſtory of the great and extraordinary debaſements made at that time in the Coins of the realm, it would be improper to omit ſome account of the principles adopted, and of the meaſures purſued, in bringing about this memorable reform; eſpecially as the hiſtorians of thoſe times, and the writers on Coins, have not given any ſatisfactory explanation of them. I ſhall alſo be thereby enabled to aſſign the cauſes, which have produced many

many of the defects now exiſting in our ſyſtem of Silver Coins.

In conducting this reform, the miniſters of Edward VI. firſt conſidered, what ſhould be the ſtandard of the Silver, of which the new Coins ſhould be made. They determined not to make them of Silver of the old ſtandard, that is, of 11 oz. 2 dwts. fine, and 18 dwts. alloy, but of the ſtandard of 11 oz. 1 dwt. fine, and 19 dwts. alloy.

It is ſingular, that if they departed from the ancient ſtandard, they ſhould make ſo ſmall an alteration; and if they made any, that they ſhould not have brought it preciſely to the ſame ſtandard, of which ſome of the Gold Coins were then made; that is, the ſtandard of what is called Crown Gold, and which is ſince become the only ſtandard of the Gold in our Coins. The ſtandard of the metals in theſe two ſorts of Coin would, in ſuch caſe, have been the ſame; and the quantity of alloy in each of them would have been in the ſame proportion, that is, one twelfth part; and ſuch a regulation would have facilitated in future a compariſon of the relative value of the two precious metals in our Coins.

The miniſters of Edward VI. in the next place conſidered, what the weight of the Silver Coins ſhould be in future. They probably thought it too violent a meaſure to return to the nominal Pound, or Pound in tale, as it was ſettled in the 18th of Henry VIII.; that is, before this Prince began to debaſe the ſtandard of the Silver, of which his Coins were made, and when the Pound Troy of ſtandard Silver was coined into 45 Shil-

45 Shillings. They determined to take a middle courſe, and to coin the Troy Pound of Silver, of the ſtandard before mentioned, into 60 Shillings by tale, and thereby to augment in nominal value, by one third, the Pound in tale. By adopting this rule they obtained the following advantage, that the Crown Piece weighed exactly an ounce Troy, the Half Crown Piece half an ounce, the Shilling 4 dwts. that is, one fifth of an ounce, or the ſixtieth part of a Pound Troy; and the Sixpence 2 dwts. that is, one tenth of an ounce, or the hundred and twentieth part of a Pound Troy; all of which are aliquot parts of the Pound Troy; ſo that the people could thereby more eaſily underſtand what the weight of theſe Coins ought to be, and on that account be the more induced to weigh them.

In carrying theſe principles into execution, the miniſters of Edward VI. determined, in the firſt place, to endeavour to bring into circulation all the Gold Coins, which they underſtood to be hoarded in great quantities, and to make them the baſis of their future proceedings. It ſhould be remembered, that theſe Gold Coins had been debaſed in a very ſmall degree, compared with the ſeveral debaſements of the Silver Coins; and if brought into circulation, they would ſerve to ſupply, or at leaſt in ſome degree diminiſh, the want of good Silver Coins, until the new Silver Coins could be made and iſſued. For the reaſon above mentioned, they adviſed the King to raiſe the Gold Coins of the old ſtandard one third higher in value in tale, than that, at which they were made current in the 18th Henry VIII.; and for this purpoſe, to order by Proclamation, that the Sovereign, or Double Rial, which

which had been made current in the 18th Henry VIII. for 22s 6d, ſhould paſs in future for 30s, and the other Gold Coins of the old ſtandard in due proportion. The Gold Coins of the new ſtandard were alſo raiſed nearly one third higher than that, at which they were made current in the 18th of Henry VIII. This meaſure produced the effect which was expected from it; the Gold Coins, which had been hoarded, were brought immediately again into circulation. Theſe miniſters then took meaſures for making and iſſuing, with the greateſt expedition, new Silver Coins, at the rate of 60s to the Pound Troy; that is, one third more in nominal value, than that, at which they had paſſed in the 18th of Henry VIII. It appears therefore, that the principal object, which they had in view, was, to raiſe both the Gold and Silver Coins one third more in nominal value, than the rate or value, at which they had been current in the 18th of Henry VIII. In Gold Coins of the old ſtandard, and in the Silver Coins, their deſign was exactly carried into execution; and in the Gold Coins of the new ſtandard it was as nearly executed as exiſting circumſtances would permit. The value of fine Gold, compared with that of fine Silver, was now therefore eſtimated, in Coins of the old ſtandard, as $11\frac{103}{955}$ to 1; and in Coins of the new ſtandard, as $11\frac{1}{20}$ to 1. The difference of theſe relative values of Gold to Silver, from thoſe in the 18th of Henry VIII. is almoſt entirely to be attributed to the difference in fineneſs of the metal, of which the Silver Coins of the two periods were made.

The miniſters of this King proceeded, in the laſt place, to decry the debaſed Silver Coins, that had been iſſued ſince the

34th

34th of Henry VIII. They determined to do it by degrees, but with as little delay as poſſible. They adopted a plan for this purpoſe, not entirely conſonant to the principles of juſtice. Having carefully examined into the intrinſic value of the ſeveral ſorts of the debaſed Silver Coins then in currency, that is, of thoſe of 9 oz. fine, of 6 oz. fine, and of 3 oz. fine, they found, that the whole taken together were worth intrinſically one half of their nominal value. By a proclamation they firſt decried them all one fourth of their former nominal value. And by another proclamation, iſſued very ſoon afterwards, they decried them another fourth, that is, upon the whole, to one half of their nominal value; being what they had eſtimated the whole, taken in a maſs, to be intrinſically worth: but they made no diſtinction in their nominal value, though they were of different degrees of debaſement.

Such were the meaſures purſued by Edward VI. in reforming the Coins of the realm. He died a ſhort time afterwards. Queen Mary made no alteration, except that, in the firſt year of her reign, ſhe reduced the ſtandard of the Silver in her Coins to 11 oz. fine, and 1 oz. alloy, or eleven twelfths of fine metal, and one twelfth alloy, by which the Pound Sterling in tale was debaſed $\frac{160}{999}$ per cent. from what it had been made by her brother Edward VI. in the laſt year of his reign.

The debaſed Silver Coins continued to be current at the ſame nominal value, to which Edward VI. by his laſt Proclamation had reduced them, during all the reign of Queen Mary, and to the ſecond of Elizabeth, while the new Silver

ver Coins were making, and getting by degrees into circulation.

It appears by a proclamation of Queen Elizabeth, of the 29th September 1560, that as long as the debaſed Coins continued in circulation, they were the cauſe of great embarraſſment, in all payments made within the realm, as well as in our exchanges with foreign countries. The people however made no complaints, but were ſatisfied with the meaſures that were taking for completing this reform. Terrified at the evils they had already ſuffered, they only apprehended ſome new project of debaſement.

Theſe apprehenſions were not without foundation: Queen Elizabeth, at that time, had counſellors, who adviſed her to recur, for the ſake of profit, to the ſame meaſures, which had been purſued by her Father and Brother, in debaſing their Coins; but ſhe rejected theſe counſels, by the advice of the Lord Treaſurer Burleigh. In the 2d year of her reign ſhe reſtored the ſtandard of the Silver in her Coins, to 11 oz. 2 dwts. fine, and 18 dwts. alloy; that is, the ſtandard of old Sterling; by which the Pound Sterling in tale was raiſed $\frac{320}{999}$ per cent. above what it had been made by Queen Mary, in the firſt year of her reign. In the next place, ſhe further decried ſuch of the debaſed Silver Coins remaining in circulation, as were of 9 oz. fine, and 6 oz. fine, not in the ſame manner, and in the groſs, as in the 6th of Edward VI. but in different proportions, according to the different degrees of their debaſement: and ſhe ordered, that the third and worſt ſort of theſe debaſed Monies, which were only 3 oz. fine,

ſhould be no longer current. In order that the people might diſtinguiſh the different ſorts left in currency, ſhe cauſed different marks to be put upon them; and at the foot of her proclamation, iſſued for this purpoſe, there were engravings of the ſeveral ſorts of theſe debaſed Monies, with the marks ſhe had ordered to be put upon them. In a ſhort time afterwards ſhe iſſued another proclamation, ordering, that the two ſorts of debaſed Money, ſo left in currency, ſhould no longer paſs in any payment whatever, but that they ſhould be received at her Mint, and be exchanged for the new Silver Money, according to the value which ſhe had lately ſet upon them by her proclamation. All this debaſed Money was thus at length driven out of circulation, and the reform was completed.

The joy expreſſed at the completion of this reform was very great. The Parliament and people, in their addreſſes to Queen Elizabeth, always mentioned the reformation of the Coin, after that of religion, as one of the principal merits of her reign; and it is recorded as ſuch in the epitaph upon her tomb.* Her hiſtorian, Camden, after having placed in a very ſtrong light the evils, to which the people had been expoſed, by the debaſements made by Henry VIII. and Edward VI. commends very highly this laſt act of Queen Elizabeth, by which ſhe at length drove out of circulation all the debaſed Coins. In language above his uſual ſtile, he calls it *magnum ſane, et memorandum, quod neque Edwardus potuit, neque Maria auſa.* It muſt be acknowledged however, that the Queen was not entitled to all the merit in this buſineſs, which ſhe herſelf excluſively aſſumed, and which hiſtorians and poſterity have in general aſcribed to her. The principles adopted

Camden's Elizabeth, p. 61.

by

by Edward VI. in the laſt year of his reign, comprehended the whole of this important meaſure, and were in general correctly conceived. Queen Elizabeth departed from ſome of theſe principles, and thereby rendered our ſyſtem of Coins leſs perfect than he intended. The meaſures which Edward VI. purſued, were upon a larger ſcale, and more difficult to be executed, and therefore of a bolder character. King Edward, by one proclamation, brought into circulation all the Gold Coin that had been hoarded; and, by two ſubſequent proclamations, he in a very ſhort ſpace of time decried the whole of the Silver Coin then in currency, to half the nominal value, at which it had hitherto paſſed. Queen Elizabeth indeed, after an interval of ſeven years, further decried what remained of this debaſed Money, in a much ſmaller degree indeed, but upon better principles. It is evident, however, that ſhe took this meaſure with a view of bringing theſe debaſed Coins to her Mint, without any loſs to her revenue; and, for this purpoſe, ſhe ſoon afterwards declared, that they ſhould be no longer current. The principles, on which King Edward acted, laid the foundation for every future ſtep in the proceeding; but it was his misfortune, that he did not live long enough to carry his plan fully into execution. It was the good fortune of Queen Elizabeth to aſcend the throne, after ſufficient time had been allowed for making and iſſuing a quantity of new Silver Coin, adequate to all the purpoſes of circulation: and ſhe was thereby enabled to relieve the public, by taking out of currency all the debaſed Money, which ſtill continued to embarraſs commercial tranſactions; and to claim the merit of having brought this buſineſs to a concluſion.

Mr. Locke appears to have been of this opinion. See his Anſwer to Mr. Lowndes.

It is at leaſt doubtful whether this Queen acted wiſely in altering the ſtandard of the Silver in the Coins of the realm, as ſettled by Queen Mary at 11 oz. fine, and 1 oz. alloy; and in reverting to the ſtandard of old Sterling, of 11 oz. 2 dwts. fine, and 18 dwts. alloy; for by this meaſure ſhe again rendered the two metals, of which our Coins are made, of different and unequal ſtandards; ſo that from thenceforth they became not of the ſame proportion or degree of fineneſs; and, for that reaſon, their relative values cannot now be ſo eaſily compared.

But Queen Elizabeth, in the ſubſequent years of her reign, purſued meaſures with reſpect to her Coins, which greatly diminiſh the merit, to which her former conduct had given her pretenſions; for ſhe authoriſed, by ſpecial commiſſions, ſmall occaſional deviations, from time to time, both in the weight of ſome of her Coins, and in the ſtandard of the metals, contrary to the very terms of her Mint indentures. She made alſo, in the 43d year of her reign, Silver Coins, very much debaſed, for the uſe of her kingdom of Ireland[a]; and though this practice was in ſome degree juſtified by former precedents, it produced great embarraſſments in the internal

Sir Martin Folkes, Note, pp. 55. and 56. where he quotes a commiſſion of the 29th Dec. 21ſt Elizabeth, and ſays, that he has ſeen others of the like import.

[a] The Gold and Silver Coins of Great Britain and Ireland are now the ſame; and they have been ſo for a conſiderable period. The rate, however, at which theſe Coins are current in the two kingdoms, that is, the nominal value at which they paſs as Money of account, is different; it is $8\frac{1}{3}$ per cent. more in Ireland than in Great Britain. This difference was made by a proclamation of James II. dated 25 March 1689, when he returned to Ireland from France, after his abdication; and it has continued ſo ever ſince. See Simon's Iriſh Coins, p. 150.

trade

trade of that kingdom; and ſome merchants, who carried on commerce with it, were great ſufferers thereby. The legality, however, of her proceedings in this reſpect, was ſuſtained by a deciſion of her miniſters of juſtice in that kingdom. And laſtly, in the ſame year, that is her 43d, when her honeſt Treaſurer and faithful Miniſter Lord Burleigh was no more, ſhe followed the example of her Father in the latter years of his reign, and of her Brother during the whole of his reign, except the laſt year, by debaſing her Silver Coins. She then coined the Pound Troy of ſtandard Silver into 62 Shillings, inſtead of 60, whereby the Pound Sterling was debaſed $1\frac{41}{279}$ per cent. from what it had continued to be ſince the 2d year of her reign; and by this meaſure ſhe defeated one of the objects, which her Brother had in view, in the excellent plan, which he projected in the laſt year of his reign, and thereby acted contrary to a principle, wiſely adopted by him, of making all the Silver Coins of known weights, and aliquot parts of the Pound Troy; and to this imperfection the Silver Coins of this kingdom have ever ſince been ſubject.

See the Caſe of mixed Monies in Sir John Davis's Reports.

I ſhall conclude this hiſtory of the alterations and debaſements made in the Coins of the realm, at ſucceſſive periods, by giving a ſhort account of the motives, which appear to have influenced the Miniſters, by whoſe advice they were made, and the Sovereigns, by whoſe commands they were executed.

Theſe motives were, firſt, a deſire of augmenting the royal revenue. Secondly, principles of miſtaken policy.

Aug-

Augmentation of revenue was expected from the additional profits, which would in ſuch caſe ariſe, from the right of Seigneurage. This Seigneurage was a certain portion or allowance of all the Gold and Silver brought to the Mint to be converted into Coin. It conſiſted of two parts. The firſt was ſuch a portion as would be ſufficient to defray the charges of coining the metals ſo brought to the Mint. This portion was called in the French Mints, *Braſſage*, a term, which [redacted] writers derive from the two Latin words, *Brachiorum* [redacted]. The ſecond portion was a profit which the Sovereign claimed, by virtue of his prerogative; and it is to this laſt, that the word Seigneurage moſt properly belongs. Theſe were avowed profits; but in addition to theſe, ſome Sovereigns occaſionally derived profits from practices of a fraudulent nature. There is reaſon to ſuſpect, as is before ſtated, that, by ſpecial orders, they ſometimes authoriſed the principal Officers of their Mints to make their Coins either of leſs weight, or with more alloy, than was required by the terms of their Mint indentures; or they authoriſed a large remedy to be taken, (which remedy is nothing more than an allowance for errors in coining,) and did not require the Officers of the Mint to make their Coins as perfect as poſſible, but authoriſed or ſuffered them to coin juſt within the remedy; that is, they permitted them to take out of the Coins, either by diminiſhing the weight, or increaſing the alloy, as much as the remedy would juſtify. Theſe practices, however, were generally kept ſecret. This right or prerogative of Seigneurage was probably of Gothic inſtitution; for the ancient Governments of Europe, prior to the invaſion of the Goths, do not appear to have derived any profit from the making of their Coins. Some of them took indeed

indeed ſufficient to defray the charge of the fabrication: but Le Blanc ſays, that the Roman Government did not take any allowance for it, and that it was defrayed out of the public revenue. After the invaſion of the Goths, the profits of Seigneurage began to be taken by the Sovereigns of every ſtate in Europe. Le Blanc has produced an ordinance of King Pepin, which ſhews, that this right of Seigneurage exiſted in France, as early as the year 755; he thinks it was of more ancient inſtitution.

Le Blanc, p. 90.

Le Blanc, p. 87. and 90.

Mr. Necker, in his Treatiſe on the Adminiſtration of the French Finances, ſays, that the profits of Seigneurage on the Coinage of Gold in France, at the time, when he wrote, amounted to $1\frac{4}{5}$ per cent.; and on the Coinage of Silver to $1\frac{7}{24}$ per cent. independent of what was retained for Braſſage, or the charge of Fabrication, which was 2 Livres per Marc for coining Gold, and $14\frac{1}{2}$ Sols per Marc for coining Silver; and that it produced a revenue of about 500,000 Livres, or 20,833l per annum. Mr. Necker adds, "that the compen-"ſation for the expences of Coinage is found in the value "given to the ſpecie, and by that means falls on the people." From whence it may be concluded, that the French Government gave a nominal value to their Coins beyond the intrinſic value of the metal that was in them, ſufficient to compenſate the charge of Fabrication, and to pay to the Sovereign the profits of Seigneurage, in the proportion before ſtated. He obſerves however, that the profits derived from Seigneurage were formerly more conſiderable. The right of Seigneurage is ſtill enjoyed by moſt of the Sovereigns of Europe. There are no records, which enable us to decide when this right firſt

Necker's Adminiſtration of the Finances of France, vol. iii. p. 9. and 11.

Ibid. vol. i. p. 20.

firſt commenced in this kingdom. It was extinguiſhed by an Act paſſed in the 18th Charles II. ch. 5. The profits derived from Seigneurage were in former times ſo much conſidered as a branch of the royal revenue, that they were occaſionally granted, in whole, or in part, to corporate bodies, for their advantage, or for defraying certain charges expreſſed in the grant itſelf. They were ſometimes granted to individuals by way of penſion. And when the right of Seigneurage was extinguiſhed in this kingdom, by the before mentioned Act of Charles II. there was a penſion, payable out of the profits derived from it, granted for twenty-one years to Dame Barbara Villiers, by Letters Patent under the Great Seal, of two pence by tale out of every pound weight Troy of Silver Coins made at the Engliſh Mint: and the Legiſlature, from a principle of juſtice, ordered the payment of it to be continued out of the Coinage duties, impoſed by that Act.

See Le Blanc in various parts, and Du Cange, under the words Seigneurage and Monetagium. See 18th Charles II. ch. 5. ſec. 12.

When the Sovereign was in great want of revenue, it was uſual for him to increaſe the portion or allowance, which he took of the precious metals brought to his Mint. The profits derived from this ſource were of courſe various. An account of thoſe received by the Kings of this realm, from the 28th Edward III. to the 15th Charles II. may be ſeen in the tables inſerted at the end of Snelling's Views of the Gold and Silver Coin, taken, as he alleges, from a manuſcript treatiſe in his poſſeſſion. An account of thoſe received by the Kings of France may be extracted from the tables at the end of Le Blanc's Traité Hiſtorique des Monnoyes de France. It appears from theſe accounts, that the profits ſo taken were ſometimes enormous: they were particularly ſo in this country,

try, during the latter end of the reign of Henry VIII. and the firſt five years of Edward VI. The hiſtorian Camden, in his obſervations on theſe tranſactions, imputes the debaſements made by theſe two Monarchs in their Coins to a deſire of augmenting their revenue; and Edward VI. in his Journal, expreſsly acknowledges, that ſuch was the motive of his government for purſuing theſe meaſures. On theſe occaſions the merchant ſometimes received, in return for his Bullion, a ſmaller number or portion of Coins; and the Coin itſelf was not diminiſhed or debaſed. This was the more uſual practice in the Engliſh Mint; but this manner of taking the Seigneurage, by which the merchant received fewer Coins in tale than the number that might have been made from the quantity of Bullion which he furniſhed, muſt have had the effect of diſcouraging the bringing of Bullion to the Mint. At other times this profit was taken out of the Coin itſelf, by diminiſhing its weight, which operated as a ſmall debaſement. But the far greateſt profits were derived from this right of Seigneurage, when the Sovereign made a general debaſement of all his Coins; for the ancient Coins then in circulation being of a greater intrinſic value than the new Coins of the ſame denomination debaſed, the holders of theſe ancient Coins brought them in general to the Mint to be recoined, for they obtained ſome profit thereby; ſo that by a general debaſement of his Coins the King received his profits of Seigneurage from nearly all the Coins of the ſame deſcription, then current in his dominions. It was, on this account, more uſual to practiſe theſe debaſements on the Silver Coins, than on thoſe made of Gold; for the profits of Seigneurage on the Recoinage of the former were much greater than they would

Camden's Elizabeth, p. 61, 62.

have

have been on that of the latter. As the old Coins were brought in voluntarily, it was not thought neceſſary, on theſe occaſions, to iſſue a proclamation for calling them in; nor have I found any proclamation for that purpoſe. Theſe debaſements were certainly high acts of injuſtice; they injured all thoſe who derived their income from any ſubſiſting grant or leaſe; they diminiſhed the property of all creditors; they expoſed the poor man, who could not accurately eſtimate the diminiſhed value of the new Coins, to be impoſed on in his purchaſes, by thoſe who underſtood the buſineſs better than himſelf; they introduced confuſion into all markets, and cauſed a ſudden check and obſtruction to traffic and commerce of every deſcription; and they frequently produced diſcontents, and ſometimes a tendency to inſurrection. And though the Sovereign might obtain ſome temporary profit from theſe debaſements, their natural effect was to diminiſh all the ancient revenues of the Crown; and it became on that account neceſſary to augment former taxes, or to impoſe new ones, to make the royal revenue equal to what it was before.

It appears, from the hiſtorians of France and of other foreign countries, that the people ſo ſeverely felt the effects of theſe debaſements, that they voluntarily paid a tax to the Sovereign, to induce him not to exerciſe his right in this reſpect; and this tax was called *Monetagium*. Le Blanc ſtates many inſtances of this nature, and adds, that Charles VII. of France, when he had driven the Engliſh out of his kingdom, and determined to reſtore his Coins from the great ſtate of debaſement, to which he had been forced to reduce them, conſented to reſerve only ſo much of his profits of Seigneurage,

See Le Blanc, p. 156.

See Du Cange, article Monetagium.

neurage, as was neceſſary to pay his officers for the Fabrication of the new Coins; but that his ſubjects gave him in return the Tailles and Aides; and he obſerves, "*que l'impoſi-* Le Blanc, p. 92.
"*tion fixe des Tailles et des Aydes fut ſubſtituée à la place*
"*d'un ancien tribut, infiniment plus incommode, que n'étoient*
"*alors ces deux nouvelles impoſitions.*" In the Duchy of Normandy, when it was governed by the Engliſh Monarchs, there was a tax on hearths, paid every three years, called Monetagium; in return for which, the Sovereign of that Duchy engaged not to debaſe his Coins. Sir Matthew Hale, Hale's Hiſtory of the Common Law, p. 116. Matthew Paris, p. 38. col. 2.
in his Hiſtory of the Common Law, acknowledges, that our Kings of the Norman race had introduced this tax or cuſtom into England; but that Henry I. in the firſt year of his reign, was induced to renounce his right to it; and it does not appear that any claim of this ſort has ever ſince been revived.

The principles of miſtaken policy, being the ſecond motive, which induced the Kings of this realm to debaſe their Coins, were of two ſorts. Firſt, an idea, entertained by theſe Kings and their miniſters, that the Coins, though debaſed, and containing leſs pure metal than before, would continue to paſs, according to their reſpective denominations, for the ſame nominal value; and that they ſhould not only augment their own revenues, but that the value of the income of their ſubjects would not be thereby impaired. They idly ſuppoſed, that the new Coins, after ſuch debaſement, would be taken in payment, without any attention to the quantity of pure metal that was in them, and that the prices of commodities would not be augmented, in conſequence of any debaſements in the

Coins, with which they were purchaſed. The folly of ſuch an idea, in the extent to which it was carried, has been ſo fully expoſed, not only by thoſe who have written on this ſubject, but by the experience, which every attempt of this kind has afforded, that any diſcuſſion on this point appears to be unneceſſary; and we need only refer to facts already ſtated, in the preceding hiſtory of the alterations and debaſements made in the Coins of this realm, and to the conſequences reſulting from them.

The ſecond motive was an idea, that they ſhould thereby prevent the national Coins from being exported, and that they ſhould be better able to retain them within the kingdom. It appears by the Rolls of Parliament, that in the 13th year of Henry IV. the ſcarcity of Money at that time was aſſigned as a reaſon by the Lords and Commons for requeſting that King to debaſe his Coins, and he debaſed them accordingly: but the Parliament ſeems even then to have entertained a doubt of the wiſdom of this meaſure; for the Lords and Commons at the ſame time expreſſed a deſire, "that the King would "not continue to follow this advice, if at the end of two years "he ſhould find by experience, that it was not for the benefit "of his kingdom."

Rolls of Parliament, vol. iii. p. 658.

I have already ſtated the ſtrange maxim of James I. expreſſed in the preamble of a proclamation iſſued by him, in the 12th year of his reign, where he ſays, "that the treaſure "of Gold and Silver brought into the realm ſhould be conſi-"dered as an immoveable and perpetual ſtock, which ſhould "never go forth again;" and an account has alſo been given

of

of the many futile attempts made by that King, and his Son and Succeſſor Charles I. to enforce the obſervance of this rule. It muſt likewiſe be admitted, that in former times perſons of ſome eminence have entertained and ſupported the idea, that, by diminiſhing the intrinſic value of our Coins, they were more likely to be retained within the realm. This idea has been wholly exploded, ſince the principles of commerce and of foreign exchanges have been well underſtood. Mr. Locke, and many other writers, have clearly demonſtrated, that the Coins of any country can only be retained within it, when the general balance of commerce or payments is not unfavourable; and that they will neceſſarily be exported, when the value of the whole of the merchandize imported exceeds the value of the whole of the merchandize exported, in order to pay the deficiency. If indeed the goods ſo imported are only an unuſual quantity of ſtock, intended for re-exportation, and not to be uſed or conſumed in the country, it is certain, that, upon the ſale and re-exportation of ſuch ſtock, the Coins will in due proportion again return, or a quantity of Bullion ſufficient to replace them. Theſe principles are indeed ſelf-evident.

It will however certainly happen, that when Coins made of two different metals are current at the ſame time in a country, and the value of the metal, of which one of them is made, is under-rated at the Mint, compared with the price, at which it is ſold at the market, the Coins of the metal ſo under-rated at the Mint will be exported; and, in return, a quantity of that metal, which is over-rated at the Mint, will be imported, in order to be converted into Coins.

But

But this is a mere traffic in Coins, and it is not probable, that this traffic, though it produces a loſs to the public, and is in that reſpect highly detrimental, will occaſion much diminution in the maſs or quantity of Coins circulating in any country, as long as the balance of commerce, or of payments to foreign countries, is not unfavourable. This traffic will in general only diminiſh the quantity of Coins made of one metal, and proportionally increaſe that of the other.

Upon a full view of this important ſubject, in which it has been neceſſary occaſionally to cenſure ſome of the Sovereigns of this kingdom, for their conduct with reſpect to their Coins, I think myſelf bound in juſtice to obſerve, that the Government of England has in general committed fewer errors in regulating their Coins, than that of any other country of Europe. The debaſements of the Coins of this kingdom have been leſs frequent, and in a leſs degree. In France, the Livre, or Pound in tale, contained originally a Pound of Silver in weight, as in England. By ſucceſſive debaſements made by the French government, the Livre in tale is now reduced to about a 74th part of what it was, when the Pound in tale and the Pound in weight were the ſame. In Scotland, where the Pound in tale originally contained alſo a Pound of Silver in weight, and continued in this ſtate till the year 1296, the Scottiſh Pound in tale had been by ſucceſſive debaſements, before the union of the two kingdoms, reduced to a 36th part of its original value. In many parts of Germany, the Florin, which is ſtill the integer or Money of account of thoſe countries, was originally a Gold Coin, of the value of about 10 Shil-

10 Shillings of our preſent Money. It is now become a Silver Coin, of the value of only 20d; and its preſent value therefore is only equal to a 6th part of what it was formerly. In Spain, the Maravedi, which was in its origin a Mooriſh Coin[a], and is ſtill the Money of account of that kingdom, was in ancient times moſt frequently made of Gold.* Le Blanc obſerves, that in 1220 the Maravedi weighed 84 grains of Gold, equal in value to about 14 Shillings of our preſent Money; but he adds, that the weight of it was ſoon afterwards very much diminiſhed. This Maravedi, though its value is not quite the ſame in the different provinces of Spain, is now become a ſmall Copper Coin, equal in general only to $\frac{43}{272}$ of an Engliſh Penny. In Portugal, the Re[b], or Reis, which is ſtill the Money of account in that kingdom, is become of no greater value than $\frac{27}{401}$ of an Engliſh Penny: it is ſo ſmall, that, in eſtimating its value in other Coins, it is reckoned by thouſands and hundreds. The Moeda, or Moidore, is equal to 4800 Reis; and this little Coin, called a Reis, has now in fact no exiſtence but in name. Such has been the fate of all theſe Coins, and ſuch is their preſent ſtate of depreciation. In this

* Le Blanc, p. 166.

[a] The name itſelf of this Coin is derived from an Arabic word, or rather from the name of certain Moors called Almoravides, who paſſed from Africa into Spain, and gave their name to the Money coined by them. This name has ſince been corrupted into Maravedi. There is another more fanciful derivation of the name of this Coin, which in Latin is called Marabitinus. It is ſaid to mean "Maurorum ſpolia," becauſe the Spaniards, in driving the Moors out of Spain, frequently obtained theſe Coins among the ſpoils taken by them. Botino, in Spaniſh, ſignifies booty, or ſpoils. See the Great Dictionnaire de Trevoux, article Maravedis.

[b] I have not been able to diſcover what was the original value of the Re.

Your

Your Majeſty's kingdom of England, where the Pound in tale and the Pound in weight were originally the ſame, and continued in that ſtate till the 28th Edward I. that is, the year 1300, the Pound in tale has, by nine ſucceſſive debaſements, been reduced to not quite one third of its original value, the preſent value being to the original value as 32 to 93. It is evident therefore, that the Government of England has debaſed its Coins in a leſs degree than the governments of any of the countries before mentioned; and Le Blanc, in his excellent Hiſtory of the Coins of France, thinks himſelf bound to render this tribute of juſtice to the Engliſh nation, "that the ſubject of Coins has in general been underſtood in few countries ſo well as in England."

Le Blanc, p. 266.

I have now completed the account, which I propoſed to lay before Your Majeſty, of the ſeveral alterations and debaſements made in the Coins of this realm, during a period of nearly ſeven centuries and a half. This account has neceſſarily extended to a greater length than I could have wiſhed. The intricacy of a ſubject, which has never yet been ſufficiently explained or underſtood, muſt ſerve as my juſtification. Many uſeful inferences may however be drawn from theſe tranſactions. The errors committed by our anceſtors, and the ill conſequences reſulting from them, will ſerve as inſtructions, by which we may be enabled to avoid the evils and embarraſſments, to which they were expoſed, and to eſtabliſh a more perfect monetary ſyſtem in future.

The various calculations, to which it has been neceſſary to reſort, have been made, under my direction, by a Profeſſor of great

great eminence in every branch of the Mathematics[a]. Calculations of a like nature may indeed be found in ſome of the books already written on Coin: but theſe books frequently contradict each other, and occaſionally fall into error.

I will now revert to the principles of Coinage, briefly ſtated in an early part of this Letter.

Firſt, I will endeavour to prove, that the Coins, which are to be the principal meaſure of property, ought to be made of one metal only.

Secondly, I will ſhew of what metal the Coins of this kingdom, which are to be the principal meaſure of property, ought to be made.

Thirdly, I will ſhew upon what principles the Coins of the other metals ought to be made; and I will endeavour to illuſtrate the whole by the facts related in the foregoing hiſtory of our Coins.

The firſt of theſe poſitions has been ſhortly treated of in an early part of this Letter; and I have obſerved, that Sir William Petty, Mr. Locke, and Mr. Harris, are decidedly of opinion, that the Coins, which are to be the principal meaſure

[a] The Profeſſor mentioned in the text has furniſhed me with a paper, which ſhews, that Snelling has committed errors in moſt of the calculations he has made, or has been miſtaken in the concluſions he has drawn from them.

of property, muſt be made of one metal only; and it has been aſſumed, that their opinion on this point is too well founded to be ſhaken. Leſt however this aſſumption ſhould be ſuppoſed to have been premature, I will here inſert the paſſages themſelves, which ſo fully juſtify it.

Sir W. Petty's Political Anatomy of Ireland, ch. 10.

Sir William Petty obſerves, *that Money is underſtood to be the uniform meaſure of the value of all commodities;* and then adds, *that the proportion of value between pure Gold and fine Silver alters, as the earth and induſtry of men produce more of one than the other. That Gold has been worth but twelve times its own weight of Silver, but that of late it has been worth fourteen: ſo there can be but one of the two metals of Gold and Silver to be a fit matter for Money.*

See Mr. Locke's further Conſiderations concerning raiſing the value of Money, vol. ii. p. 75, 76, fol. edit. 1759.

Mr. Locke obſerves, *that two metals, as Gold and Silver, cannot be the meaſure of commerce both together in any country; becauſe the meaſure of commerce muſt be perpetually the ſame, invariable, and keeping the ſame proportion of value in all its parts; but ſo only one metal does and can do to itſelf. An ounce of Silver is always of equal value to an ounce of Silver, and an ounce of Gold to an ounce of Gold; but Gold and Silver change their value one to another; and one may as well make a meaſure, namely a yard, whoſe parts lengthen and ſhrink, as a meaſure of trade, of materials, that have not always a ſettled unvariable value to one another. One metal therefore alone can be the Money of account and contract, and the meaſure of commerce in any country.*

Mr. Harris ſays, *that one only of theſe metals, that is, Gold*

or

or Silver, can be the Money or ſtandard meaſure of commerce in any country; for the ſtandard meaſure muſt be invariable, and keep the ſame proportion of value in all its parts. Such is Silver with reſpect to Silver, and Gold to Gold. But Silver and Gold with reſpect to one another are like other commodities, variable in their value, according as the plenty of either may be increaſed or diminiſhed; and an ounce of Gold, that is worth a given quantity of Silver to-day, may be worth more or leſs Silver a while hence. It is therefore impoſſible, that both theſe metals can be a ſtandard meaſure of the value of other things at the ſame time.

See Mr. Harris's Eſſay on Money and Coins. part i. ch. 2. ſec. 7.

In the earlier periods of our hiſtory, when Silver Coins only were current, and no Gold Coins were made at the Engliſh Mint, the Monarchs of this kingdom had no occaſion to advert to this principle. But when Gold Coins began to be made in the reign of Henry III. the rate, at which they were to be current, was always fixed in the Mint indenture, and they became at that rate legal tender, and conſequently the meaſure of property, as well as the Silver Coins, which were current at the ſame time with them.

The Sovereigns of this country endeavoured to regulate the rate, at which theſe Gold Coins ſhould be current, according to the relative value, at which Gold and Silver Bullion, in the reſpective period, ſold at the market. It will be ſeen in the foregoing hiſtory, that they ſometimes committed great errors in this reſpect; and the evil conſequences reſulting from [illegible] errors have been ſtated; but in general our Monarchs [illegible] for a long time more correct than might have been expected.

pected*. There was indeed leſs difficulty in thoſe times in preſerving the relative value of the Gold and Silver Coins, according to the price of theſe precious metals at the market, than at preſent: for before the diſcovery of the Mines of America, the relative value of Gold and Silver fluctuated in a leſs degree than in later times. It ſhould alſo be obſerved, that Gold Coins then conſtituted but a ſmall part of the currency of the kingdom; and the commerce of this country with foreign nations was much leſs extenſive, than it has been in the two laſt centuries; ſo that the circulation of our Coins was confined in a great meaſure within the kingdom, where the authority of the Sovereign, in giving a nominal value to his Coins, has a greater influence, and is more readily and correctly obeyed. In thoſe early times, the traffic in exchanges with foreign nations was not much practiſed, or well underſtood.

It is certain, that ſo late as the reign of Queen Elizabeth, at leaſt in the earlier parts of it, there did not appear to be any great fluctuation in the value of the two precious metals, compared with each other. But men of knowledge and foreſight became at that time ſenſible of the diminution of the value of Money in general, compared with other commodities; and they began on that account to be convinced, that Coins were not a correct meaſure of property, when the value was to be eſtimated at diſtant periods. It was for

* [illegible] the eight years that elapſed from the 34th of Henry VIII. [illegible] Edward VI. which I have treated as an unuſual convulſion in [illegible]

this

this reaſon, that, by the advice of Lord Treaſurer Burleigh, and of Sir Thomas Smith, then Secretary of State, the method of eſtimating a portion of the rents of colleges by the value of corn, and not of Money, was firſt introduced, in order to maintain the revenues of theſe colleges, in a due proportion with the price or value of the neceſſaries of life in ſucceſſive periods; ſo that ſuch revenues might at all times be ſufficient to anſwer the wiſe and laudable purpoſes for which they were intended. This method of eſtimating the value of land of ſuch deſcription in leaſes has ſince been called a corn rent; and it was eſtabliſhed by an Act paſſed in the 18th year of Queen Elizabeth, in which it was enacted, "*that in all future leaſes for life, or for a term of years, made by the ſeveral colleges in Oxford or Cambridge, and by thoſe of Wincheſter and Eton, one third part at leaſt of the old rent ſhould be reſerved in corn, according to the value of good wheat and good corn, to be taken after the rate at which they ſhould be ſold at their reſpective markets, on the next market day before ſuch rents ſhould be due.*" I have mentioned this fact in order to ſhew, that the great men of thoſe times were not inattentive to the value of Money or Coins; but the evil, which they intended to correct, aroſe from the diminution of the value of Money in general, compared with commodities, as is before obſerved; for no mention is made in the chronicles or hiſtories of that period, of any fluctuation at that time in the relative prices of the precious metals. The evils reſulting from the fluctuations in the relative prices of theſe metals, do not appear to have ſhewn themſelves in any great extent, or at leaſt to have been the ſubject of general complaint, till the reign of James I.

At

At this laſt period theſe evils were felt in a moſt alarming degree. I have ſo fully ſtated, in a former part of this Letter, the extent of theſe evils, and the embarraſſments, that were thereby introduced into all commercial tranſactions, that I will not trouble Your Majeſty with a repetition of them. I will only obſerve, that in the firſt years of the reign of this Monarch, the complaints of the exportation of the Gold Coin, on account of the low value, at which Gold was then eſtimated at the Engliſh Mint, compared with the value, at which Silver was there eſtimated, were great and inceſſant. To remedy this evil, King James raiſed the value of Gold in his Coins, by ſucceſſive proclamations; but he at laſt raiſed it beyond the due proportion; ſo that during the remainder of his reign, and the whole of the reign of Charles I. the Silver Coins were in their turn exported, and a very ſmall quantity of theſe laſt remained in circulation. The complaints of the want of Silver Coins were then as great as the complaints of the want of Gold Coins had been before. During a ſhort period, in the middle of the 17th century, the relative prices, at which the precious metals were eſtimated at the Mint in our Coins, appear to have been in a ſort of equilibrium, or to have maintained a due proportion with the prices, at which they reſpectively ſold at the market. But in the 15th year of the reign of Charles II. that is, in the year 1663, when a new eſtimate was made of the relative value of Gold to Silver at the Engliſh Mint, that of Gold was under-rated. Charles II. then indeed raiſed the value of Gold in his Coins, but not ſufficiently; and all the Gold Coins then made would have been immediately exported, if the Government had obliged the people to receive them as legal tender, at the nominal value given to them

them in the Mint indenture: but Government ſuffered theſe Coins to take the value, which the people ſet upon them, according to the relative price of Gold and Silver at the market. In a ſubſequent period the Silver Coins became greatly defective in weight, ſo that it was neceſſary to call them in and recoin them. A general Coinage took place by the advice of Parliament, in the reign of King William III. After this Recoinage, the Gold Coins paſſed in payment at a higher value than that at which they were ſtill rated in the Mint indenture, or than the relative value of Gold to Silver at that time would juſtify; not however by authority of Government, but by the general conſent of the people. The conſequence was, that the new Silver Coins began immediately to be melted down and exported, notwithſtanding the very great charge which the public had incurred in recoining them. A very conſiderable part, in the courſe of not more than ſeventeen years, had diſappeared, and there was found to be a want of them in circulation. The ſame deficiency in the number as well as weight of the Silver Coins has remained to the preſent day, to the great inconvenience of Your Majeſty's people. From the beginning of the reign of James I. to the period of which I am now ſpeaking, Gold and Silver Coins were alternately exported, for the reaſons juſt ſtated, to the great detriment of the public, as often as individuals could profit thereby.

It is proper to obſerve, that James I. conſulted Sir Francis Bacon, Sir Edward Coke, and many other eminent men who lived in thoſe times; but they all appear to have been at a loſs for a remedy to the evil, to which the country was then expoſed.

expoſed. The Treatiſe of Sir William Petty, entitled, *The Political Anatomy of Ireland*, in which he delivered his opinion, that the Coins, which were to be the principal meaſure of property, could be made of one metal only, was among his poſthumous Works, publiſhed in the year 1691; and as far as I am informed, this extraordinary man was one of the firſt who fully aſſerted and maintained this opinion, ſuggeſting thereby the remedy ſo long ſought for in vain. Mr. Locke and others followed him in ſupporting the ſame opinion; but this true principle, which ſolved the difficulty, has never yet been carried effectually into practice.

It is certain, however, that during the whole of this period, when our Coins were in ſo great a ſtate of confuſion, the commerce of the kingdom was progreſſively improving, and the balance of trade was almoſt always in favour of this country; ſo that theſe evils did not ſpring from a want of the precious metals, but from a continued conflict between the Coins made of different metals; and this circumſtance introduced and promoted the practice of melting down and exporting one or other ſort of Coin, whenever the metal, of which either of them was made, happened to be under-rated at the Mint, and a profit could be made thereby; a ſpecies of traffic, from which the public cannot derive the ſmalleſt advantage, but muſt always be a ſufferer; a traffic, carried on by a claſs of men, who are conſtantly preying upon the public, and who ſometimes defraud individuals, by collecting the moſt valuable and weighty Coins, and returning into circulation thoſe that are leaſt valuable and moſt defective. The profits of ſuch a traffic are not the reſult of

public-

public-ſpirited or laudable induſtry, and ought, on that account, to be diſcouraged as much as poſſible, by every wiſe government.

There is no circumſtance that more clearly proves and illuſtrates the truth of this principle, "That Coins, which are "to be the principal meaſure of property, can be made of one "metal only," than the practice, which has long prevailed in ſeveral commercial ſtates and countries on the continent, of making foreign bills of exchange, and ſometimes other bills, exceeding a certain amount, payable in what is uſually called Bank Money. Theſe ſtates are ſubject, no leſs than others, to the inconvenience of having their Coins of different metals, ill conſtructed with reſpect to their relative value, and of having them frequently very defective. But being generally of ſmall extent of territory, they are expoſed alſo to another and ſtill greater inconvenience: from being ſurrounded by many other countries, there is a conſtant influx of the Coins of all the neighbouring ſtates into them, particularly if their commercial tranſactions are of great extent; ſo that their general currency conſiſts of a mixture of their own Coins, and of thoſe of the neighbouring countries, however ill-regulated or defective they may be. If bills of exchange were therefore to be paid in this mixed and imperfect currency, the uncertainty of the value of any ſum, for which theſe bills might be drawn, would not only produce great embarraſſment in all mercantile dealings, but it would render the exchange always very much againſt ſuch a ſtate or country; for the merchants of all nations are induced, from motives of prudence, rather to undervalue the Coins of every ſtate, with which they have

any commercial intercourſe. To provide againſt this evil, the governments of Venice, Genoa, Amſterdam, and Hamburgh, and ſome others, have introduced a ſyſtem, well adapted for their purpoſe. They have formed banks of depoſit. The regulations of theſe different banks are various; but the general principle, on which they are all founded, is as follows. The directors or managers of theſe banks give *recipiſſés*, receipts, or notes, in return for the Gold or Silver Bullion, or Coins conſidered as ſuch, and ſometimes for other objects of value, placed by individuals in their cuſtody; or they give them credit in their books to the amount of the value thereof, with a right of transferring the ſame.*

Smith's Wealth of Nations, 8vo. vol. ii. p. 219.

Theſe receipts, and this right of making transfers, in ſome countries called Bank-Money, are regulated by, and therefore repreſent, ſome one of the national Coins current in each of theſe ſtates, exactly according to the ſtandard of their reſpective Mints; and they are underſtood therefore to retain, on this account, a certain and undiſputed value; and as they are ſubſtantially worth more than the defective Coins in currency, they often bear, in reference to them, a premium, or what is called an *Agio:* this *Agio* is occaſionally increaſed or diminiſhed, in proportion to the ſcarcity and demand for theſe receipts or transfers. As it is required by the laws of theſe ſtates, that foreign bills of exchange in general, and ſometimes other bills of a certain amount, ſhould be paid only in this Bank-Money, it has gradually become the fixed ſtandard or meaſure, according to which great mercantile payments are principally made. The inferior branches of traffic within thoſe countries are left to be carried on in the Coins

Sir Ja. Stuart's Political Economy, vol. ii. ch. 36. 39.

which

which are commonly current, whatever may be their intrinſic value.

But in extenſive kingdoms, which are at the ſame time greatly commercial, ſuch as Great Britain, no ſuch eſtabliſhment has ever exiſted. In ſuch countries, where the buſineſs of commerce is not confined to one or a few cities or towns, but is ſpread over a large extent of territory, in every part of which trade and manufactures are in great activity, it would hardly be poſſible to carry ſuch a ſyſtem into execution. One bank of this deſcription would not be ſufficient, and great inconveniences might reſult from the eſtabliſhment of many in different parts of the kingdom. It is expreſsly ſaid by the writers on theſe banks of depoſit, that one of the objects for eſtabliſhing them was, to fix the reſidence of rich merchants in the places where ſuch banks were ſituated. In Great Britain ſuch an eſtabliſhment is even leſs neceſſary than in any other country. The ſituation of Great Britain, as an iſland, preſerves it in a great degree from the influx of foreign Coins, particularly of the ſmaller denominations: if any of a larger denomination are imported, (and great numbers of Portugal Gold Coins were imported in the reign of Your royal Grandfather,) they are none of them legal tender, except by the authority of Your Majeſty. And if ſuch Coins ſometimes paſs in currency, (as has happened in the caſe before mentioned,) it is the voluntary act of the perſon who receives them, and at his riſk. As a ſyſtem of the nature before deſcribed has never ſubſiſted in Great Britain, and could not be introduced into it with advantage, the Coins of the kingdom are neceſſarily the principal meaſure of all property, and the

inſtruments of commerce; or, in other words, they are the only* legal tender in payment of all ſums, whatever their amount may be, both to natives and foreigners; and from thence reſults the neceſſity, in this country, of having Coins made of one metal only, which ſhould ſerve as an invariable meaſure for the purpoſes above mentioned; and for the ſame reaſon theſe Coins ſhould be kept in the greateſt poſſible perfection.

From the view I have thus given of this part of the argument, it appears, not only from the cleareſt deduction of reaſon, and by the concurrent opinion of the moſt eminent writers, but by the evidence, which long experience in this kingdom has afforded, to be a certain and incontrovertible principle, that Coins, which are to be the principal meaſure of property, can be made but of one metal only. The Coins made of other metals may be uſeful, and even neceſſary; but they muſt take their value, and paſs in currency, according to the rate or value given to them by the Sovereign, with reference to that ſort of Coin, which is the principal meaſure of property, that is, of the ſtandard Coins.

As it is clear, that the Coins, which are to be the principal meaſure of property, can only be made of one metal, I will now proceed to the ſecond head, and will endeavour to prove

* I do not think it neceſſary here to advert to the Acts for ſuſpending payment in Caſh at the Bank of England, though theſe Acts have made Notes of the Bank of England legal tender in certain caſes; for theſe Acts are in force for a limited time only, and are no part of the permanent monetary ſyſtem of the kingdom.

of

of what metal the Coins of this kingdom, which are to be the principal meaſure of property, ought to be made. This is a very controverted point, and more difficult than any of which I have to treat. It was the opinion of Mr. Locke, *that Silver Coins make the Money of account, or meaſure of commerce, all through the world;* and he adds, *he was ſure they were ſo in England and the neighbouring countries.* He alſo aſſerts, *that Gold is not the Money of the world, or meaſure of commerce, nor fit to be ſo; yet it may and ought to be coined, to aſcertain its weight and fineneſs.* Mr. Harris, in his Eſſay on Coins, concurs with Mr. Locke in this opinion. He ſays, *that in theſe parts of the world, Silver is, and for time immemorial hath been, the Money ſtandard; and that it is the fitteſt material for a ſtandard.* In another part of his Eſſay he aſſerts, *that all other metals, Gold as well as lead, are but commodities rateable by Silver.* He ſupports his opinion by the authority of many great and eminent men, whoſe writings and ſpeeches on this ſubject he quotes in his Eſſay. Sir William Petty, who had certainly great abilities, and was more a man of buſineſs, and of the world, than either Mr. Locke or Mr. Harris, in that part of his Political Anatomy of Ireland, where he treats of Money, ſays, *that Money is underſtood to be the uniform meaſure and rule for the value of all commodities; that one of the two precious metals is only a fit matter for Money; and, as matters now ſtand, Silver is the matter of Money.* But he expreſſes a doubt, *whether, in that ſenſe, there be any ſuch Money or rule in the world.* So that he confirms the principle, but doubts whether the governments of the world have ever conformed to it. Sir William Petty judged rightly. It is certain, that the governments of Europe have not in general

See Mr. Locke's further Conſiderations concerning raiſing the value of Money, p. 75. 76.

See Mr. Harris's Eſſay on Money and Coins, part i. ch. 2. ſec. 7.

Sir W. Petty's Political Anatomy of Ireland, ch. 10.

paid

paid attention to this rule; nor is it ſurpriſing, that perſons, wholly occupied in official buſineſs, ſhould not have had leiſure to ſtudy or underſtand a ſubject, which is in its nature ſo abſtruſe and complicated.

In treating this part of the ſubject, as far as it relates to the Coins of this realm, I will conſider it in two views.

Firſt, As a queſtion of law.

Secondly, As a queſtion of fact; that is, with reference to the practice and opinions of the people.

It will be fortunate, if this principal meaſure of property ſhall be found within theſe realms to be in Coins of one metal only; for I am of opinion, that, wherever it ſo exiſts, it is beſt that there it ſhould remain; and that the true principle being thus aſcertained, all change ſhould be avoided if poſſible: for this meaſure of property, like every other meaſure, ſhould continue to be always the ſame. But if this meaſure of property ſhould now in a certain degree be found to reſide and exiſt in Coins made of different metals, the Coins ſhould in ſuch caſe be ſo regulated, that as little change as poſſible be made; that is, no more than what is abſolutely neceſſary to make our monetary ſyſtem, according to the principles before ſtated, as perfect as the nature of the ſubject will admit; or at leaſt to diminiſh the evils, to which it has hitherto been expoſed.

I muſt now refer to what I have ſaid, in an early part of this

this Letter, concerning the [illegible] and the Kings of this realm have enjoyed and [illegible] rial, of giving to the Coins current [illegible] nominated value. Sir Matthew [illegible] it as his opinion, *that the legitimation* [illegible] *it its denominative value, is fully reckon* [illegible] *lis; and in England, it is one special pa* [illegible] *rogative.* And in treating afterwards of the [illegible] "or extrinfic value" of Coins, he immediately adds, *and of right ought to be, given by the King, as his unquestionable prerogative.* What is called by Sir M. Hale "denominated or extrinfic" value, is the rate or value, at which Coins are made legal tender; that is, the rate or value, at which they are to be paid or received in all bargains and contracts and Coins, fo far as they are made legal tender, are by law the meafure of property.

I have ftated in a former part of this Letter other authorities, in confirmation of this doctrine; and it is not neceffary here to repeat them.

From the acceffion of William I. to the 28th of Henry III. Coins of Silver were the only Coins made in the Mints of this kingdom, as far at leaft as has hitherto been difcovered. During that period therefore, Silver Coins were the only legal meafure of property, except it be fuppofed, that foreign Gold Coins, fuch as Byzants and Florins, which might be occafionally current in this kingdom, were made, by royal proclamation or other fufficient authority, legal tender, at a certain denominated value. Of this fact, however, no certain information has

yet

yet been changed. From the 11th of Henry III. when Gold Coins began to be coined in the Mints of this kingdom, and the Coins so made of Gold were ordered to be current at a certain nominal value, it must be admitted, that these Gold Coins became legal tender no less than the Silver Coins, and consequently that they were from thenceforth, equally with the Silver Coins, the legal measure of property. And from this time forward Gold and Silver Coins continued to be the legal measure of property through all their various changes and debasements of the rate or value, which the Sovereigns have fixed upon them, till the 15th of Charles II. when the Guinea, which was then first coined, and the other Gold Coins then circulating with it, were permitted to take their value according to the relative value of Gold to Silver at the market. It may be said, and with truth, that by the rule of law, the Guinea, according to the Mint Indenture, ought at that time to have been current at 20 Shillings, and the other Gold Coins in proportion; but the people, in their payments, never conformed to this rule, and the Government never enforced the observance of it. This last practice continued to prevail till the 2d of George I. that is, till the year 1717, when the rate or value of the Guinea in currency was fixed at 21 Shillings by proclamation. It was then evident, that Government meant to enforce this regulation; and the Guinea, and the other Gold Coins in proportion, became from thenceforth at that rate legal tender. Subsequent to this period the Gold and Silver Coins were equally legal tender, or the measure of property, in all payments whatsoever, till the 14th year of Your Majesty's reign (1774), when, by a Bill, which passed the two Houses, and received Your royal assent,

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it was enacted, *that no tender in payment of Money made in the Silver Coin of this realm, of any ſum exceeding the ſum of 25l, at any one time, ſhall be reputed in law, or allowed to be, legal tender, within Great Britain or Ireland, for more than according to its value by weight, after the rate of 5s 2d for each ounce of Silver.* This regulation with reſpect to the Silver Coins, which was made in conſequence of a general Recoinage of the defective Gold Coins, was intended by the Legiſlature as an experiment; accordingly, the Act was made to continue to the 1ſt of May 1776. The ſame regulation was continued by an Act, paſſed in the 16th year of Your Majeſty's reign, for two years longer. It was further continued by an Act paſſed in the 18th year of Your Majeſty's reign, to the 1ſt of May 1783, when, by neglect, it was ſuffered to expire. But the ſame regulation was revived by an Act paſſed in the year 1798, and is now in force. During the whole time that this regulation has ſubſiſted, no objection has been made to it.

Stat. 14. Geo. III. c. 42.

Stat. 16. Geo. III. c. 54.

Stat. 18. Geo. III. c. 45.

Stat. 38. Geo. III. c. 59.

Copper Coins[a], or, as they were originally called, Copper

[a] Though the Kings of this realm, while they were in poſſeſſion of parts of France, occaſionally coined Money of Billion at their Mints[a], in the territories they poſſeſſed in that kingdom, for the uſe of their ſubjects there, it does not appear that any Billion Money was ever coined at the King's Mints in England, unleſs the very debaſed Silver Money, coined at the end of the reign of Henry VIII. and through a great part of the reign of Edward VI. ought to be called Money of Billion, rather than Silver Money. There were alſo coined during the reign of Edward VI. Pence, Halfpence, and Farthings, of a baſer ſtandard than even the other Silver Monies then current, at ſome

[a] See Le Blanc, p. 244, 245.

Tokens, were firſt made by royal authority in the 11th year of James I. that is, 1613. Coins of this metal were introduced into our monetary ſyſtem to prevent the currency of private Tokens, made chiefly of Lead, of which there were at that time very great quantities in circulation. The practice of making Tokens of Lead firſt began in the latter end of the reign of Queen Elizabeth, who would never ſuffer Tokens of any kind to be made by royal authority. King James, when he authorized[a] the making of theſe Copper Farthings or Tokens, prohibited by proclamation the uſe or currency of all private Tokens. But he did not oblige his ſubjects to take the Copper Farthings or Tokens made by his authority, otherwiſe than "with their own good liking;" and he expreſsly ſays in his proclamation, that he did not intend to make them "Monies or Coins." Theſe Copper Tokens continued to be

Cotton's Pieces, 8vo. 1672. p. 199, 200. See Proclamation dated 19 May, 1613, and other Proclamations in the ſame reign.

of the King's Mints, particularly at the Mints of Canterbury and York[a]. Queen Elizabeth alſo, in the 43d year of her reign, coined Monies for the uſe of her kingdom of Ireland, which were called mixed Monies, and declared to be lawful and current Money in that kingdom, of a baſer ſtandard than Sterling[b]. I have ſometimes thought that, from this period, the Coins circulating in Ireland began to be eſtimated as of leſs value, according to their reſpective denominations, than thoſe circulating in England; but I know of no authority for this conjecture.

[a] The right of making theſe Copper Tokens was given to individuals by patent, who ſometimes made a very great profit thereby; for the intrinſic value of theſe tokens was in no degree equal to their nominal value. The Patentees pledged themſelves however to take them back for ſomething leſs than their nominal value; but it is not probable that they were ever returned to them in any great quantities.

[a] Martin Folkes, p. 48. Stowe's Chronicle, p. 606.

[b] Sir John Davies's Report on the Caſe of mixed Monies.

current,

current, ſubject to the rule before mentioned, to the year 1672, when Copper Halfpence, which were then firſt coined at the royal Mint[a], were ordered to paſs in all payments under the value of a Sixpence; and from that time all the Copper Coins made at the royal Mint have been ordered to be current upon the terms laſt ſtated. But in 1797, when Copper Twopences and Pence were firſt made by royal authority, it was ordered by Your Majeſty's proclamation of the 26th of July of that year, that no perſon ſhould be obliged to take them in any one payment that ſhall exceed the value of one Shilling. And ſince by Your Majeſty's proclamation of Dec. 4, 1799, it was ordered, that no perſon ſhould be obliged to take the Copper Halfpence and Farthings, authorized in like manner to be made by Your Majeſty, in any one payment that ſhall exceed the value of Sixpence.

See Proclamation, 16 Aug. 1672.

From the foregoing ſhort ſtatement it is evident, firſt, that from the time when Gold Coins were firſt made in the Mints of this kingdom, theſe Gold Coins have been equally with the Silver Coins legal tender, and conſequently the meaſure of property, according to the rate or value, which the Sovereign thought fit to ſet upon them. I do not think it neceſſary

[a] In the republic of Athens Copper Coins were the laſt introduced into circulation, as well as in England; though it was natural to ſuppoſe, that they would have been made uſe of in that republic in its leſs affluent ſtate, and before its commerce had been carried to ſo great an extent. The ſucceſſion of Coins made of different metals in Athens was firſt Silver, then Gold, and afterwards Copper; juſt as it has been in England. See Voyage du Jeune Anacharſis, Edition 4, in 4to. vol. iv. p. 357. and the authors referred to therein.

here to repeat what I have ſtated already, that Gold Coins, during a ſubſequent period, took a value ſuperior to that at which they were rated in the Mint indenture. This was by general conſent, and, conſequently, at the option of the perſon who received them in payment, and not by the authority of Government; ſo that this ſuperior value was not in truth the legal value. Secondly, that the Silver Coins of this realm, conſidered as Coins, are now legal tender only in ſums not exceeding 25l. Thirdly, that the Copper Halfpence and Farthings, made at the royal Mint, are legal tender only in ſums that do not amount to Sixpence. That the Copper Twopences and Pence, lately authorized to be made by Your Majeſty by a private Artiſt, are legal tender only in ſums not exceeding twelve pence. And that the Copper Halfpence and Farthings, in like manner authorized to be made by Your Majeſty, are legal tender in ſums not exceeding Sixpence..

Such appears to be the law on this ſubject. I will in the next place conſider the queſtion of fact, with reference to the practice and opinions of the people; and it will be found that the fact, except in a few inſtances, has correſponded with the law as I have ſtated it.

I have already obſerved, that in very early times Silver Coins were weights, as well as Coins, or, in other words, that a Pound in tale of Silver Coins was equal to a Pound weight of ſtandard Silver; and that a Silver Penny, which was probably the only Coin then in currency, was the 240th part of a Pound in weight, and was intended to contain exactly a Pennyweight of ſtandard Silver; ſo that theſe Coins expreſſed

and

and defined the preciſe quantity of Silver, which they were intended to repreſent. The reverſe of the Penny was ſtamped with a croſs through the middle of it; the people therefore broke this Penny in the part where the croſs divided it, and then it paſſed as a *Maille,* or Halfpenny. And they ſometimes broke the half of this Penny into two equal parts, and each of theſe paſſed for the fourth of a Penny, that is, a *Fourthing,* or Farthing. This practice continued till Silver Halfpence and Farthings were coined. Camden's Remains. Stowe's Annals, p. 201.

During this period, ſo correct were our anceſtors in regulating their payments in the Coins then current, that rules were adopted to remedy any defect, either in weight or fineneſs, that might be found in them. When theſe Coins were deficient in weight, from wear, or any other cauſe, they practiſed a method of payment, which was called *Compenſatio ad Penſum*; the Coins were in ſuch caſe put into a ſcale, and taken by weight, without any regard to their number. At other times the deficiency in weight was compenſated by an eſtimated proportion or allowance, in order to ſave the trouble of weighing them. This proportion or allowance was a 40th part, or ſix Pennies in each Pound, and this was called *Compenſatio ad Scalam.* And when a ſuſpicion was entertained, that any of theſe Coins were not made of ſtandard Silver, either from errors committed by the Officers of the Mint, (which in thoſe early times were not uncommon,) or from other cauſes, a method was practiſed of aſcertaining the fineneſs of theſe Coins, by a certain mode of aſſaying them, called *Trial by Combuſtion.* It is certain, that all theſe rules were obſerved by the Sheriffs in receiving the King's rents, and by them See Madox's Hiſtory of the Exchequer, ch. 9.

them and others in making payments into the Exchequer. And as the Kings of this realm had at that time great eſtates in every county of England, from which their principal revenue was derived, it is probable, that the ſame rules were generally known and practiſed in all payments whatſoever.

This ſyſtem of Coins, ſimple in all its parts, continued to ſubſiſt to the 28th of Edward I. In that year this Monarch firſt debaſed the Silver Coins of the realm; and from that time a Pound in tale no longer contained in weight a Pound of ſtandard Silver; ſo that the Coins then made did not contain ſo much Silver as their names implied; and in all the ſucceſſive debaſements made in our Coins, of which an account has already been given, the quantity of ſtandard Silver, which the Pound in tale was underſtood to repreſent, was by degrees further diminiſhed; and the Pound in tale gradually differed, or as it were diverged, in a ſtill greater degree from the Pound in weight. The denomination therefore of a Pound in tale, and of the Coins repreſenting all its parts, became from thenceforth merely arbitrary, dependant on the will of the Sovereign. The Coins of different denominations were indeed underſtood to contain and repreſent a certain weight or quantity of ſtandard Silver; but they did not contain ſo much as their names implied. And the weight of theſe Silver Coins frequently did not correſpond with any aliquot part of the Pound, according to the weights then in uſe, but was ſometimes made up of the fractional parts even of a grain. The practice of weighing then began, on that account, to be abandoned; for the people in general could not know what the preciſe weight of each Coin ſhould be. The

Gold

Gold Coins however continued to be weighed, and it was required, that theſe Coins ſhould be *whole and weight;* and new laws were paſſed, and new proclamations were iſſued, concerning the weight of Coins; and theſe laws and proclamations wiſely conformed to the ſtate of the Coins in each reſpective period. At length an allowance for *reaſonable wear* was authorized, firſt, with reſpect to the Silver Coins, and afterwards, with reſpect to thoſe made of Gold. When in proceſs of time Silver Coins of greater value than Pennies and Halfpennies were made, names were given to them, which were alſo arbitrary, and had no reference to the quantity or weight of Silver, which they contained, or to the value, at which they were to paſs in currency. Such were the Groat and Half Groat, the Crown and Half Crown. There were Gold Crowns and Half Crowns, as well as Silver Crowns and Half Crowns: and even the Shilling, though the name of an aliquot part of the Pound in tale, was ſoon after it was brought into circulation called no longer a Shilling, but a *Teſton,* as has been already obſerved, and continued to be ſo called for a conſiderable period.

From the time when Gold Coins were introduced into currency, under the authority of the Sovereign, of a certain weight, and at a certain rate or value, the Pound Sterling in tale repreſented a certain quantity or weight of ſtandard Gold, in like manner as it repreſented a certain quantity or weight of ſtandard Silver. The nominal value of the Gold Coins was from time to time enhanced, or their weight diminiſhed, in proportion as the Silver Coins were debaſed, by diminiſhing the weight of them. And theſe Gold Coins equally paſſed

paſſed in payment at the rate or value, which the Sovereign thought fit to give them. And from that time the Gold and Silver Coins were in fact, as well as by law, equally the meaſure of property.

It is certain, that during all this period the Silver Coins were the more common currency of the country, becauſe they were better adapted to the extent of our commercial tranſactions at that time. But great payments were even then frequently made in Gold Coins, at the rate or value beforementioned.

It ſometimes happened, however, that both Gold and Silver Coins were, by various cauſes, alternately driven, in a great degree, out of circulation; and one of them remained in currency, and became in fact the principal meaſure of property. In the latter end of the reign of Henry VIII. and during almoſt the whole reign of Edward VI. the Gold Coins were driven out of circulation, and were melted down, or hoarded, as before ſtated; and from the 2d of James I. to the 11th of that King, the Gold Coins were again driven out of circulation, by being melted down or exported. During the whole of thoſe periods the Silver Coins were in fact almoſt the only meaſure of property. From the 11th of James I. to about the middle of the laſt century, the Silver Coins were in a like manner driven in a great degree out of circulation, by being melted down or exported; the Gold Coins then became in fact the principal meaſure of property; but ſmaller payments muſt ſtill have been made in the Silver Coins, though probably in ſuch of them as were very defective. The cauſes,

which

which produced these changes, have been fully explained already; and inſtances have been produced, when the people, in conſequence of theſe confuſions[a], ſtipulated, at the time they ſold their commodities, in what ſort of Coins they would be paid. All theſe facts clearly prove, that the meaſure of property was not in fact confined ſolely to the Silver Coins, and that the people occaſionally adopted in practice Coins of one metal or the other, as the meaſure of property, according to exiſting circumſtances.

From the year 1663, the Silver Coins became in fact the only principal meaſure of property, according to the rate or value, which the Sovereign had ſet upon them. At that time there was however a great quantity of Gold Coins in currency, and the rate or value, at which they were to paſs, was determined by the Sovereign in the Mint indentures. Such was in truth their legal value, for the reaſons already ſtated,

[a] In Scotland, where the changes in the value of Money were more frequent, and in a greater degree than in England, conditions were ſometimes inſerted in contracts, to prevent any loſſes by ſuch change. Thus Gavin Dunbar, Biſhop of Aberdeen, in a contract with William Sutherland, of Duffus, dated the 5th of Auguſt, 1529, ſtipulated, "that if it ſhould happen "that the Money of Scotland, or of any other kingdom, which paſſes in "Scotland, be raiſed to a higher price than it is now taken in payment for, "by which the Reverend Father, his heirs or aſſigns whatever, be made "poorer, or in a worſe condition, he the ſaid William Sutherland ſhould pay "to the poſſeſſors, whoever they may be, of the annual rent therein reſerved, "for every Mark and 32 Pennies one ounce of pure Silver, which ſhould be "at leaſt *Alewyne Penny fine*, (that is, eleven Pence fine,) or elſe its true value "in the uſual Money of the kingdom of Scotland." See Ruddiman's Introduction to Anderſon's Theſaurus, 8vo. p. 148.

but, by general conſent, the value of them roſe or fell, like that of every other commodity; and they did not paſs in currency according to the rate or value authoriſed by the Mint indentures, but according to the eſtimated value of Gold with reference to that of Silver at the market. After the general Recoinage, in the reign of King William III. when the Silver Coins were reſtored to a ſtate of perfection, theſe Gold Coins did not even then paſs in currency according to the rate or value given them by the Mint indentures, or even according to their intrinſic value, with reference to the price of Gold to Silver at the market. The Guinea was then current for 21s 6d, which was about 10d more than its intrinſic value, compared with the perfect Silver Coins, that had lately been iſſued, and the other Gold Coins in proportion. This nominal value exceeded the intrinſic value of theſe Gold Coins, by $4\frac{1}{31}$ per cent.; and at this rate they were paid and received in all contracts or bargains. It is impoſſible to ſuppoſe, that the people would have received the Gold Coins in payment at a greater rate than their intrinſic value, compared with the new and perfect Silver Coins, unleſs they had preferred theſe Gold Coins to thoſe of Silver as the meaſure of property, either from conſiderations of convenience, or from ſome other motive. Whatever the motive may have been, the fact is certain. It is equally certain, that a great part of the perfect Silver Coins, which had been ſo lately iſſued in great plenty, in a ſhort time diſappeared, and were either melted down or exported. From all theſe facts it may fairly be inferred, that the Gold Coins were in fact preferred, and from that time became the meaſure of property, in the opinion and practice of the people.

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In the year 1717, the rate or nominal value of the Gold Coins was fixed by proclamation, and the Mint indenture was altered, and made in this reſpect conformable to the proclamation: the Guinea was ordered to paſs at 21s, and the other Gold Coins in proportion; at this rate the ſeveral Gold Coins have continued to be current ever ſince; they became from thenceforth legal tender at this rate; and the receiver, who before had voluntarily taken them at a higher rate, could not object to take them at the rate which Government had then ſet upon them, though this rate or nominal value was ſtill greater than their intrinſic value, compared with the perfect Silver Coins. Before this time great payments had frequently been made at the Exchequer in bags of Silver, in like manner as they are now made in ſome foreign countries; but from that period to the preſent time no conſiderable payment has been made, either at the Exchequer, or by individuals, in Silver Coins; the only uſe, in which they have been employed, is in payment of ſmall ſums, or in exchange for Gold Coins. Theſe Silver Coins have become therefore ſubordinate and ſubſervient to the Gold Coins, being reſerved for ſmall payments. And the Gold Coins are now become, in the practice and opinion of the people, the principal meaſure of property; and the Silver and Copper Coins are only ſo in the degree before deſcribed.

I have hitherto treated the very important point now under conſideration ſimply as a queſtion of law, or as a queſtion of fact, and have adduced no other reaſons but ſuch as reſult from ſources, that have immediate reference to law or hiſtory: but as many able writers have entertained ſentiments

very different from mine on this point, I think it neceſſary now to offer to Your Majeſty, in confirmation of my opinion, other reaſons, which appear to me to be incontrovertible.

On this occaſion I am under the neceſſity of recalling to Your Majeſty's attention ſome particulars ſtated in a former part of this Letter. It has been ſhewn, that when the Silver Coins were very defective, in the reign of King William, during the general Recoinage, *great* *in all fairs, markets, ſhops, and other* *gdom, to the diſturbance of the public* *the defective ſtate of the Silver Coins.* *was on that account greatly leſſened;* *concluded any bargains, were under* *the price or value of the very Money* *they were to receive for their goods,* and that *they ſet a price upon their goods accordingly. That theſe practices had been one great cauſe of raiſing the price not only of all merchandizes, but of every article neceſſary for the ſuſtenance of the people. That the receipt and collection of the public taxes, revenues, and debts were greatly retarded.* The cauſe of theſe evils was at that time evident. The Silver Coins, which were then the principal meaſure of property, were greatly deficient; every commodity then roſe in its value in proportion to this deficiency; they all took their value in reference to the Silver Coins: but none of theſe evils have happened for many years paſt, in conſequence of the exiſting defect of our Silver Coins. There is no reaſon to ſuppoſe that any commodity has on this account riſen in its price or value. The cauſe that theſe evils do not now exiſt reſults from a change

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in the practice and opinion of the people, with reference to the principal meaſure of property. The Silver Coins are no longer the principal meaſure of property: all commodities now take their price or value in reference to the Gold Coins, that is, in reference to the quantity of Gold Coins, for which they could be exchanged; in like manner as they took their value in a former period, in reference to the Silver Coins. On this account the preſent deficiency of the Silver Coins, great as it is, is not taken into conſideration, in paying the price of any commodity, to the extent in which they are legal tender. It is clear therefore, that the Gold Coins are now become, in the practice and opinion of the people, the principal meaſure of property.

A like concluſion may be drawn from the preſent ſtate of our Gold Coins, and from the value at which they now paſs in currency. The Mint indentures of Charles II. James II. William III. and Queen Anne, and even of a part of the reign of George I. to the year 1717, had determined, that the Guinea ſhould paſs at the rate or value of 20s, and the other Gold Coins in proportion; yet they did not paſs at that, which was then their legal rate or value, but at a much higher rate or value: and in a part of the reign of King William the Guinea was current at even ſo high a value as 30s. This increaſed rate or value was not owing ſingly to a miſtaken eſtimation at the Mint of the relative value of Gold to Silver, but the Gold Coins roſe or fell, as the Silver Coins were leſs or more perfect. No ſuch increaſe or variation in the value of the Gold Coin has taken place ſince the year 1717, when the rate or value of the Guinea was determined

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by proclamation, and the Mint indenture, to be 21s, and the other Gold Coins in proportion; though the Silver Coins now current have long been, and are ſtill, at leaſt as deficient as they were in the beginning of the reign of King William. The Guinea and the other Gold Coins have notwithſtanding conſtantly paſſed, ſince 1717, at the rate or value given them by the Mint indentures.

The two foregoing arguments clearly prove the opinion of the people of Great Britain on this ſubject, in their interior commerce and domeſtic concerns. I will in the next place ſhew, what has been the opinion of foreign nations concerning it. At the time of the general Recoinage of the Silver Coins, in the reign of King William, the exchanges with all foreign countries roſe or fell, according to the defect or perfection of our Silver Coins. It has already been ſtated, that at this period *the exchanges to the Low Countries were ſo very low, that the public loſt about 4s in the Pound on all Monies remitted there; that the exchange to Hamburgh and to the Eaſt Countries was ſtill lower, and to all places in the Mediterranean it was even more to our diſadvantage.* The moſt favourable, therefore, of our exchanges, was, during this period, 20 per cent. againſt this kingdom. All theſe facts are confirmed by the moſt eminent writers on exchanges. The reaſon that the exchanges were then ſo low is alſo evident. Foreigners at that time conſidered the Silver Coins of this realm, then very defective, as the principal meaſure of property, and conſequently of foreign commerce, and they rated their exchanges accordingly. The ſame evil however has never exiſted ſince the year 1717, though our Silver Coins have, during all this

See Mr. Lowndes's Report to the Lords of the Treaſury, Sept. 12. 1695.

this interval, been very defective. But, on the other hand, our exchanges with foreign countries were very much influenced to our diſadvantage, when our Gold Coins were defective; that is, previous to the reformation of our Gold Coins, in the year 1774: and this circumſtance was one of the principal cauſes, which then induced the Government to reform the Gold Coins, by recoining them, at a great charge to the public. The concluſion, naturally reſulting from theſe premiſes, is, that foreigners have, for a conſiderable period, no longer conſidered our Silver Coins as the principal meaſure of property, and conſequently of foreign commerce; but they conſider our Gold Coin as ſuch, and thereby eſtimate their exchanges.

Leſt theſe arguments ſhould not be thought ſufficient, I will proceed to another, which ought, in my judgment, to have its weight. For many years previous to the Recoinage of the Gold Coins in 1774, Gold Bullion advanced in its price, conſiderably above the rate or value, at which it was eſtimated at the Britiſh Mint. It was frequently at 3l 18s and 3l 19s per oz. and ſometimes even above 4l per oz. On an average of its price for ſixteen years, from 1757 to 1773, it was 3l 19s $2\frac{3}{4}$d per oz. which is 1s $4\frac{1}{2}$d per oz. or $1\frac{1381}{1869}$ per cent. above the Mint price. But immediately after the Recoinage of the Gold Coin, in the year 1774, by which that Coin was brought to its preſent ſtate of perfection, Gold Bullion fell to ſomething under the Mint price; and for 20 years previous to the year 1797, the Directors of the Bank of England have, as I am informed, paid for it, on an average, not more than 3l 17s $7\frac{3}{4}$d, which is $2\frac{3}{4}$d per oz. or $\frac{550}{1869}$ per cent.

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under the Mint price. It is evident from theſe facts, that the price of Gold Bullion was affected by the ſtate or condition of our Gold Coins, though the price of this Bullion had not, ſince the year 1717, been ſo affected by the defective ſtate or condition of our Silver Coins; that is, it roſe in its price when the Gold Coin was defective, and it again fell in its price when this Coin was brought to its preſent ſtate of perfection. The deficient or perfect ſtate of our Gold Coins has influenced the price even of Silver Bullion in like manner. The price of Silver Bullion roſe or fell from the ſame cauſe, which affected the price of Gold Bullion. From 1757 incluſive, to 1773, when the Gold Coin was defective, the average price, which the Directors of the Bank paid for Silver Dollars, was 64⅛d per oz. which is equal to 66⅝d per oz. for ſtandard Silver. But immediately after the Recoinage of the Gold Coin, by which it was reſtored to its preſent ſtate of perfection, the price of theſe Dollars fell, ſo that on an average of 24 years, to the 31ſt of December 1797 incluſive, the Bank Directors, as I am informed, have paid for theſe Dollars 61¼d per oz. which is equal to 63¼d per oz. for ſtandard Silver, and is leſs than the average price of Silver, for the 16 years previous to the Recoinage of the Gold Coins, by 3⅜d per oz. or $5\frac{35}{531}$ per cent. It does not however appear, that the price either of Gold or Silver Bullion was ever affected immediately before or ſince the Recoinage of the Gold Coin, by the very defective ſtate of our Silver Coins. From all which it is evident, that the value of Gold or Silver Bullion has, for 40 years at leaſt, been eſtimated according to the ſtate of our Gold Coin ſolely, and not according to that of Silver Coin. The price of both theſe metals roſe when our Gold Coin was defective; it fell when

when our Gold Coin was brought to its preſent ſtate of perfection; and it may therefore juſtly be inferred, that, in the opinion of the dealers in theſe precious metals, (who muſt be conſidered as the beſt judges on a ſubject of this nature,) the Gold Coin has in this reſpect become the principal meaſure of property, and conſequently the inſtrument of commerce.

Thus it appears, that not only the people of Great Britain, but the merchants of foreign nations, who have any intercourſe with us, and even thoſe who deal in the precious metals, of which our Coins are made, concur in opinion, that the Gold Coins are now the principal meaſure of property in this kingdom.

Mr. Locke has ſaid, *that Gold is not the Money of the world and meaſure of commerce*, NOR FIT TO BE SO. It is difficult to determine what Mr. Locke means, when he aſſerts, *that Gold is not fit to be the Money of the world.* Gold, as a metal, is equally homogeneous, equally diviſible into exact portions or parts, and not more conſumable, or more ſubject to decay, than Silver; Gold has ſome of theſe qualities even in a higher degree than Silver. Mr. Locke muſt mean therefore, that Gold is, on account of its value, *not fit to be the Money of the world, or the meaſure of property and commerce.* It cannot, I think, be doubted, that the metal, of which this principal meaſure of property is made, ſhould correſpond with the wealth and commerce of the country for which it is intended. Coins ſhould be made of metals more or leſs valuable, in proportion to the wealth and commerce of the country, in which they are to be the meaſure of property.

In very poor countries Coins have been, and ſtill are, principally made of Copper; and ſometimes even of leſs valuable materials.

In countries advanced to a certain degree of commerce and opulence, Silver is the metal of which Coins are principally made.

In very rich countries, and eſpecially in thoſe where great and extenſive commerce is carried on, Gold is the moſt proper metal, of which this principal meaſure of property, and this inſtrument of commerce, ſhould be made: in ſuch countries Gold will in practice become the principal meaſure of property, and the inſtrument of commerce, with the general conſent of the people, not only without the ſupport of law, but in ſpite of almoſt any law that may be enacted to the contrary; for the principal purchaſes and exchanges cannot there be made, with any convenience, in Coins of a leſs valuable metal. In this Your Majeſty's kingdom, ſo great is its wealth, and ſo various and extenſive is its commerce, that it is become inconvenient to carry on many of the principal branches of trade, or to make great payments, even in Coins of Gold, the moſt precious of metals: on this account a very extenſive Paper currency has been called to its aid: but this Paper can never be conſidered as Coin, for it has no value in itſelf; it only obtains its value with reference to the Coins which it repreſents. Certain deſcriptions of this Paper currency have, however, from a thirſt of gain, been carried by many, and from a love of ſpeculation defended by others, to an extravagant, and, I think, to a dangerous, extent. Paper currency

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ſhould only be employed, where payment in Coins becomes inconvenient.

In illuſtration of the truth of what I have advanced, that Gold is now the proper metal, of which the principal meaſure of property and inſtrument of commerce ſhould be made, it may be obſerved, that the value of Silver in this kingdom, at the acceſſion of William I. compared with the price of other articles, was nearly as great as that of Gold is at preſent: the Silver Coins were then, and for two hundred and fifty years ſubſequent to that period, the only Money in currency; and the largeſt Piece was a Silver Penny, equal in value to ſomething leſs than 3d of our preſent Money. The rents of the Crown, as well as of individuals, were at that time uſually paid in kind: and it is natural to conclude, that there muſt then have been but a ſmall quantity of theſe Silver Coins in circulation. Every article of commerce is alſo ſuppoſed to have increaſed in price, ſince the 1ſt of William I. at leaſt fifteen times, in the opinion of thoſe, whoſe eſtimate in this reſpect has been the loweſt; that is, the Pound Sterling in tale has been reduced to about one third of what it was at the period before mentioned: and the price of every commodity, compared with the Pound Sterling in tale, has at leaſt augmented in a quintuple proportion: a Pound of Gold, therefore, compared with the preſent price of commodities, is of about the ſame value as a Pound of Silver was in the eleventh century, compared with the price of commodities at that early period: and, in this view of the ſubject, the Gold Coin is now as well adapted to ſerve as the principal meaſure of property, or inſtrument of commerce, as the Silver Coin was at

the acceſſion of the Norman Prince to the throne of this kingdom.

So true is the principle, that Coins muſt bear a due proportion to the wealth and commerce of every country in which they are current, that in former times it was found neceſſary gradually to introduce into the currency of this kingdom, Silver Coins, of a greater weight and value, in proportion as the wealth and commerce of it advanced. Thus Pennies, Halfpennies, or Mailles, and Farthings, were at firſt the only Silver Coins in currency. Groats and Half Groats were afterwards introduced; and in ſubſequent periods, firſt Shillings, or Teſtoons[a], and afterwards Crowns and Half Crowns were coined, and for the ſame reaſon brought into currency. In like manner, when the commerce of the kingdom had increaſed to a certain extent, Coins made of Gold were firſt ſtruck at the Engliſh Mint, and introduced into circulation. It was natural, that Gold Coins, as of leſs bulk, and of greater value, ſhould be ſo introduced, and ſhould become legal tender, equally with our Silver Coins; and, in proportion as our commerce continued to augment, that they ſhould gradually take the place of the Silver Coins; and at length, when our trade had attained the very great degree of extent and ſplen-

[a] It is ſingular, however, that Sixpences or Teſters, (or, as they are ſometimes called in the Mint indentures, Half Shillings,) were one of the laſt Coins introduced into the Engliſh ſeries of Coins. They were firſt coined in the 6th of Edward VI. when he began to reform the Coins of the realm. Their places had hitherto been ſupplied by Silver Groats, Half Groats, and Pence: but when Copper Halfpence and Farthings were coined, theſe ſmaller Pieces of Silver Coin were no longer neceſſary, and therefore diſappeared.

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dour, at which it has arrived in the courſe of the laſt 50 years, that they ſhould become the principal meaſure of property and inſtrument of commerce, and leave to the Silver Coins the function of being employed only in the ſmaller and inferior branches of it. Hence it is evident, that the hiſtory of the Coins of a country throws great light on its progreſs in wealth and commerce.

There is ſtill further reaſon for preferring at preſent the Gold Coins to thoſe made of Silver, as the principal meaſure of property and inſtrument of commerce in theſe Your Majeſty's dominions. This meaſure ought certainly to be made of that metal, which varies leaſt in its price or value at the market. It is difficult to conceive, that in a commercial light the price or value of any commodity can be eſtimated, but with reference to ſome other commodity, either Gold or Silver, or ſomething elſe; and the price or value of the precious metals is generally eſtimated with reference to each other; that is, according to the plenty or ſcarcity, and the demand there may be for each of them. It is certain too, that the price or value of Gold Bullion, in the Britiſh market, has for many years varied leſs than the price or value of Silver Bullion. From an account I have ſeen of the price of Dollars for 41 years previous to the year 1797, it appears, that the price of Dollars, during that period, has varied $16\frac{21}{117}$ per cent. It is true, that, before the general Recoinage of the Gold Coin, the prices, both of Gold and Silver Bullion, advanced, in conſequence of the then defective ſtate of our Gold Coins, as has been obſerved already: the true variation therefore in the price of Silver will be more accurately taken, by giving an account

account of this variation, ſubſequent to the general Recoinage of our Gold Coin. It appears by the account laſt ſtated, that the price of Silver in Dollars has varied in twenty-two years, that is, from the end of the year 1774, to the 31ſt of December 1797, $11\frac{113}{117}$ per cent. and even in the courſe of one year, that is, the year 1797, no leſs than $9\frac{1}{8}$ per cent.

The variation in the price of Silver Bullion appears to have been ſtill greater, by another account, with which I have been favoured by the late Mr. Garbett, an eminent merchant and manufacturer at Birmingham: it there appears, that the Silver purchaſed by him, as a refiner, with Bank Notes, varied, according to his calculation, in the courſe of ten years, to 1793, more than $19\frac{1}{4}$ per cent. and in one year only, more than $13\frac{1}{4}$ per cent.

From information, on which I can rely, it appears, that the Bank Directors have in general paid for Gold Bullion, during twenty years previous to the year 1797, not more than 3l 17s 6d per ounce. But occaſionally, when they have been in want of Gold, and particularly during the ſix months previous to March 1798, they have raiſed the price $4\frac{1}{2}$d per oz. to encourage the importation of it; ſo that they then paid for it 3l 17s $10\frac{1}{2}$d per oz. being the full Mint price. But, as ſtated in another place, the average price, which theſe Directors have paid for Gold, during the before-mentioned twenty years, was 3l 17s $7\frac{1}{4}$d per oz. or $2\frac{3}{4}$d per oz. leſs than the Mint price; ſo that the variation in the price of Gold has not amounted, during the whole of this period, to $\frac{1}{2}$ per cent. It appears, by the account before mentioned, received from Mr. Garbett,

Garbett, that during the forty years in which he has bought and ſold Gold Bullion, as a refiner, the price of Gold purchaſed with Bank Notes has varied in London nearly 5½ per cent. It is true, that by the ſame account the price of Gold has varied in a greater degree at Paris, Amſterdam, and Hamburgh, but by no means in the ſame degree as Silver.

It is poſſible, that as the Bank Directors are the only purchaſers in this kingdom of Gold, for the purpoſe of converting it into Coin, the rule they have laid down of paying in general but one certain price for it, may have had the effect of keeping the price of this metal more ſteady than it would otherwiſe have been, and of preventing a greater fluctuation in it: and this circumſtance accounts for the greater variation there has been in the prices of Gold and Silver Bullion, in the purchaſes made by Mr. Garbett, than in thoſe made by the Directors of the Bank of England. As Silver Bullion is employed in manufactures, and in making plate, in a much greater proportion than Gold Bullion, and as a conſiderable quantity of it is annually exported to the Eaſt Indies, and as this metal is, on all theſe accounts, more an article of commerce than Gold Bullion, it is poſſible, that theſe circumſtances may have contributed to produce a greater fluctuation in the price of Silver.

But to whatever cauſes the difference in the variation of the prices of theſe precious metals is to be attributed, the fact, that Gold Bullion varies in this kingdom leſs in its price than Silver Bullion, as before ſtated, is incontrovertible, from the accounts, with which I have been furniſhed. It is equally certain, that the Bank Directors, who, being at the head of

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all circulation, are obliged to fupply the quantity of Gold Coin eſſential and neceſſary for carrying on the commerce of the kingdom, have not generally, during the period to which theſe accounts refer, found any difficulty in procuring Gold Bullion at the laſt-mentioned prices. I am told, that it was offered to them at theſe prices, and that, except on extraordinary occaſions, they were not obliged to ſeek it, or to ſend to foreign countries for it. It may fairly therefore be concluded, that the price, at which they obtain this precious metal, is nearly the average price of it in the market of this kingdom; and, as it varies leſs in its price than Silver Bullion, it is in this reſpect the moſt proper and convenient metal, of which a ſteady and uniform meaſure of property and inſtrument of commerce can be made.

From all that has hitherto been offered, many of the concluſions are obvious; ſeveral of them indeed have already been ſtated, in former parts of this Letter, where the reaſons have been adduced in ſupport of them. Theſe concluſions, however, it is neceſſary now to repeat, in order to collect together, and bring into one view, every principle intended to be eſtabliſhed as the foundation of a new ſyſtem of Coins.

After full conſideration of this extenſive, abſtruſe, and intricate ſubject, I humbly offer to Your Majeſty, as the reſult of my opinion,

Firſt, That the Coins of this realm, which are to be the principal meaſure of property and inſtrument of commerce, ſhould be made of one metal only,

Secondly,

Secondly, That in this kingdom the Gold Coins only have been for many years paſt, and are now, in the practice and opinion of the people, the principal meaſure of property and inſtrument of commerce. The Integer, or Pound Sterling, which, at the acceſſion of William I. was a Pound weight of Silver, and which, by ſucceſſive debaſements made by the Monarchs of this realm, was reduced, in the 43d year of the reign of Queen Elizabeth, to the $\frac{20}{62}$ parts of a Pound Troy of ſtandard Silver, is now become, by the courſe of events, and by the general conſent of the people, the $\frac{20}{21}$ parts of a Guinea, or of 5 dwts. $9\frac{1}{2}$ grs. of ſtandard Gold. At as early a period as the year 1485, that is, the 1ſt of Henry VII. a Gold Coin, called a Sovereign, then firſt introduced into circulation, was intended to repreſent this Integer, or Pound Sterling. In every ſubſequent reign to that of James I. Gold Coins of the ſame name, and intended to repreſent this Integer, were made at the Mint of this kingdom; their weight was generally diminiſhed in proportion as the Gold Coins were, during that period, debaſed. From the acceſſion of James I. all the new Gold Coins introduced into circulation were alſo intended to repreſent this Integer, or Pound Sterling; ſuch as the Unite, the Laurel, and the Guinea; for the Guinea was originally rated in the Mint indenture at One Pound Sterling. It has been ſhewn, that in a country like Great Britain, ſo diſtinguiſhed for its affluence, and for the extent of its commercial connections, the Gold Coins are beſt adapted to be the principal meaſure of property: in this kingdom, therefore, the Gold Coin is now the principal meaſure of property and ſtandard Coin, or as it were the ſovereign archetype, by which the weight and value of all other Coins ſhould be regulated.

It is the meaſure of almoſt all contracts and bargains; and by it, as a meaſure, the price of all commodities bought and ſold is adjuſted and aſcertained. For theſe reaſons the Gold Coins ſhould be made as perfect, and be kept as perfect, as poſſible.

It is, and has long been, a diſpute among the writers on Coins, whether the charge of fabricating Coins, and even a Seigneurage payable to the Sovereign, ſhould not be taken out of our Coins, as is practiſed in moſt foreign countries; and many eminent men have differed on this point. I incline to think, that the charge of fabrication ſhould not be taken from thoſe Coins, which are the principal meaſure of property and inſtrument of commerce; and ſtill leſs any profit derived from Seigneurage payable to the Sovereign.

Becauſe this principal meaſure of property would not in ſuch caſe be perfect.

Becauſe the merchants of foreign nations, who have any commercial intercourſe with this country, eſtimate the value of our Coins only according to the intrinſic value of the metal that is in them; ſo that the Britiſh merchant would, in ſuch caſe, be forced to pay, in his exchanges, a compenſation for any defect, which might be in theſe Coins; and he muſt neceſſarily either raiſe the price of all merchandize and manufactures ſold to foreign nations in proportion, or ſubmit to the loſs.

Becauſe no ſuch charge of fabrication has been taken at the Britiſh Mint for nearly a century and a half paſt; and, if

it

it were now to be taken, the weight of the new Gold Coins muſt be diminiſhed, to pay for this fabrication.

And laſtly, Becauſe theſe new Gold Coins would either differ in weight from thoſe now in currency, or, to prevent this evil, the whole of our preſent Gold Coins muſt be taken out of circulation, brought to the Mint, and be recoined.

If the ſyſtem now recommended ſhould be adopted, and the Gold Coins be made the principal meaſure of property and ſtandard Coin, all the multiples of this meaſure of property will be in the Gold Coins; and all its parts, below the value of the ſmalleſt Piece of Gold Coin, will be in Coins made of other metals, that is, of Silver and Copper. This ſyſtem is much more ſimple, than if the Silver Coins were to be made the principal meaſure of property: for, in ſuch caſe, theſe Silver Coins would be placed, as it were, between the more valuable Coins of Gold, and the leſs valuable Coins of Copper; and many of its multiples, as well as many of its parts, muſt be made of a metal different from that, of which this ſtandard Coin is made.

Thirdly, it is evident, that where the function of the Gold Coins, as a meaſure of property, ceaſes, there that of the Silver Coins ſhould begin; and that where the function of the Silver Coins in this reſpect ceaſes, there that of Copper ſhould begin: it is clear, therefore, that ſo far only theſe Silver and Copper Coins ſhould be made legal tender, and no further, at leaſt not in any great degree: and it follows, that the Coins both of Silver and Copper are ſubordinate, ſubſer-

vient, and merely repreſentative Coins, and muſt take their value with reference to the Gold Coins, according to the rate, which the Sovereign ſets upon each of them.

The charge of workmanſhip ſhould be taken out of theſe inferior Coins, becauſe there can be no doubt, that they will paſs in payment at their nominal rate or value, provided that their intrinſic value in metal and workmanſhip is equal to ſuch nominal rate or value: they will take their value according to the rate, at which they can be exchanged for the ſeveral denominations of Gold Coins, eſpecially as they will be current only within the kingdom, where the authority of the Sovereign will be ſufficient to ſupport their currency; and as they will be legal tender only for ſmall ſums, it is not probable, that they will ever be employed in payments of our balances with foreign nations, except in ſums for which they are made legal tender, or be [illegible] in the eſtimate of our foreign exchanges, or in the leaſt degree affect them.

[illegible] workmanſhip may be taken out of theſe [illegible] would be highly improper to bring this [illegible] revenue, when in truth it will no longer [illegible] charge, to which the nation is already ex- [illegible] Gold Coins only at the public expence, is

[illegible] charge and expences at His Majeſty's Mint from the [illegible] five.

[illegible] Salaries	Contingencies and incidents	Buildings and repairs	Total
[illegible] 4d	59,585l 3s 7d	45,183l 5s 4d	488,441l 18s 9d

[illegible] coined during this period.

greater

greater than is generally imagined. The charge incurred for coining alone, from the year 1777 to 1803, was 273,439l 15s 6d. There were alſo other incidental charges, incurred on account of the Mint, during the ſame period, which amounted to 215,002l 3s 3d. The charge of coining Silver would be ſtill much greater; and indeed ſo great, that the public ought not to bear it, unleſs it can be ſhewn, that ſome great public advantage would be derived from it.

By taking the charge of workmanſhip out of theſe Silver Coins, they will be retained within the kingdom for the purpoſes of internal traffic, for which they are intended, in like manner as the Copper Coins are at preſent; for no foreign merchant will receive his balance in Coins of this deſcription, in payment of any ſum greater than that for which they are made legal tender, if there is not a want of a ſufficient quantity of Gold Coins, as the intrinſic value of the Silver Coins will be leſs than their nominal value. And it is further certain, that, in ſuch caſe, the nation will be no longer expoſed to the evils ariſing from a conflict between Coins made of different metals, or to the iniquitous practice of exporting them, whenever a profit can be made thereby; or to that of melting them down, for the purpoſe of converting them into plate, which frequently happened in the courſe of the laſt century, whenever the price of either Gold or Silver Bullion at the market roſe above the Mint price.

The value of the metal, of which theſe Silver Coins are to be made, ſhould be eſtimated, not according to the actual price of ſuch metal at any given time, but according to the

average

average price, which ſuch metal has born for a certain number of years paſt, or which it is likely to bear in future in the market. For as theſe Silver Coins are to repreſent thoſe of Gold in ſmall payments, they ſhould be made to repreſent them, not in any one time, but for a continued ſpace of time, as truly and as correctly as the fluctuating value of the two precious metals will permit. It has already been ſhewn, that when Coins are made of two different metals, and intended to be current according to their intrinſic value, it is impoſſible that the Sovereign ſhould follow with ſufficient accuracy the various fluctuations and changes, which in a ſhort time happen in the relative prices of theſe metals at the market, and thereby regulate the nominal value, at which the different Coins, made of theſe metals, ſhould at all times be current. Experience has proved, that every attempt for this purpoſe has been unſucceſsful. It follows therefore, that the metal of thoſe Coins, which are intended to repreſent thoſe of Gold in ſmall payments, ſhould be eſtimated according to a fair average of what is likely to be its value in future at the market, with due attention to every circumſtance, which is likely to influence the price of it, and to the rate, at which this metal is eſtimated in the Mints of foreign countries. Coins of this deſcription ought to be ſo made, that they may truly repreſent, but not rival, that Coin, which is to be the ſtandard Coin, or ever come into competition with it.

Mr. Locke's idea, that Coins made of any other metal than that of which the ſtandard Coin is made, ſhould be ſuffered to paſs in currency according to the relative value of theſe metals at the market, is not conformable to practice, and is without example,

example, except in what happened to our Gold Coins for a certain number of years after the 16th year of Charles II. during a part of which time our monetary ſyſtem was in a ſtate of confuſion. How are thoſe who reſide in the country, or in many great commercial and manufacturing towns, to eſtimate the relative value of Gold to Silver, where no Gold or Silver Bullion is bought or ſold? Such a proceeding is alſo contrary to law; for in effect it transfers the right of ſetting a rate or value on the Coins, from the Sovereign to individuals: Coins ought always to paſs in tale according to the rate or value, which the Sovereign ſets upon them in his Mint indentures. But Mr. Locke's idea of the manner of valuing Coins according to the relative prices of the metals, of which they are made, at the market, is, with reſpect to thoſe of Silver and Copper, abſolutely impracticable. How are the poorer claſſes in particular, who principally make uſe of theſe Coins, to know what the relative prices are? Such a ſyſtem would introduce confuſion into all our commercial tranſactions, and would afford an opportunity to the money-changer, or dealer in metals, to raiſe a fortune by practiſing the worſt of frauds on ignorant individuals, who muſt, in this caſe, be the greateſt part of Your Majeſty's ſubjects.

If it ſhould be objected, that the principles of Coinage, which I humbly offer for Your Majeſty's conſideration, are wholly new, I think they ſhould not be rejected merely on that account, in caſe they ſhould be found to be reaſonable. But what I maintain is, that a ſyſtem conſonant to theſe principles actually exiſts in a certain degree at preſent, though it has not been formally adopted by Your Majeſty's Government.

ment. The preſent Silver Coins, ſuch as they are, are ſubordinate and ſubſervient to the Gold Coins; and in this quality only are current. In propoſing theſe principles, it has been my earneſt wiſh, that as few alterations as poſſible ſhould be made in the ſyſtem of Coins, which at preſent exiſts. I am fully ſenſible of the embarraſſments and confuſion in commercial tranſactions, which any ſuch alteration will at all times produce; my principal object therefore has been to ſhew, what is the preſent practice, and to prove, that the ſyſtem, which now prevails, ought, as nearly as poſſible, to be continued, as well as to remove the prejudices, which ſome men of abilities entertain againſt it. The plan which I propoſe is expreſsly calculated for this purpoſe. My opinion is, and I hope I ſhall be excuſed in repeating it, that the Gold Coins ſhould continue to be the principal meaſure of property and inſtrument of commerce; that the Silver and Copper Coins ſhould continue to be ſubſervient to, and repreſentative of, theſe Gold Coins, as they are at preſent. Influenced by the ſame deſire of not making any unneceſſary change, I am alſo of opinion, that there ſhould be no alteration in the preſent names, or relative value or rate of the Coins of this realm, as they are now ſettled in the Mint indentures, and paſs in currency. I am ſenſible, that if a ſyſtem wholly new were now to be introduced, the weight, the ſize, and the denomination of our Coins might perhaps be changed to advantage, and better arranged for general convenience. But I am apprehenſive that any ſuch change would produce great embarraſſments, at leaſt among the inferior claſſes of Your Majeſty's ſubjects, in their ordinary traffic and dealings. In all concerns, which ſo nearly affect the intereſts of men, they are naturally

naturally attached to ſyſtems and to names, which have long prevailed, becauſe they are better acquainted with them, and are, for that reaſon, leſs expoſed to fraud and impoſition. Your Majeſty may have obſerved, in the ſhort hiſtory which I have given of the Coins of this realm, with what difficulty the ſeveral Coins of a new denomination have, in ſucceſſive periods, been introduced into currency: it required, in moſt inſtances, many years to reconcile the people to them, and to eſtabliſh their general uſe. It is certainly, therefore, moſt adviſable to continue all the preſent denominations of our Coins, and to make them paſs at the ſame nominal value, at which they are reſpectively rated in the preſent Mint indentures.

I do not pretend, that a new ſyſtem of Coinage, founded on the principles, which I have endeavoured to eſtabliſh, will be in all reſpects perfect; for the nature of the ſubject does not admit of abſolute perfection: I am ſenſible, that it will be liable to the firſt of the imperfections ſtated in an early part of this Letter; that is, that the metal, of which this ſtandard Coin, or principal meaſure of property, is to be made, will vary in its value in ſucceſſive periods, even with reſpect to itſelf: it has already been ſhewn, that this imperfection is ſo inherent in the ſubject, that it does not admit of a remedy: this variation may be occaſioned either by a greater or leſs production of the Mines, from which one or other of theſe precious metals is obtained. It was owing to an unuſual production of the Silver Mines in South America, that the value of Silver decreaſed in ſo rapid and great a degree, in the 17th century, and that the relative value of Gold roſe in

proportion: or, this variation may be occaſioned by the effects reſulting from extraordinary revolutions in the political world, ſuch as have lately happened in France, and in the countries ſubdued by its arms[a]; where the perſons who govern France have, under the pretence of making them free, firſt plundered, and then enſlaved, the people; and where vaſt quantities of Silver Plate, hitherto employed for holy purpoſes, or for private ſplendour, have been melted down, and brought to the market; ſo that the price of Silver in that country was for a ſhort time conſiderably reduced: or, this variation may be occaſioned by great and memorable conqueſts, which ſometimes bring an unuſual influx of one or other of the precious metals into the conquering country; ſuch as happened in ancient times at Rome, where Gold, when it was firſt coined, that is, during the ſecond Punic war, A. U. C. 546, was eſtimated, in reference to Silver, as high as $17\frac{1}{7}$ to 1: the relative value of Gold to Silver fell by degrees afterwards, ſo as to be eſtimated as 10 to 1; but after Cæſar had conquered Gaul, he brought into Italy immenſe ſpoils, of Gold in particular, taken principally from the cities he

See the Appendix to this Letter, and the authorities there quoted.

[a] The Plate of all the churches and monaſteries, as well as of individuals, chiefly of Silver, was melted ſoon after the beginning of the French Revolution, and converted into Coin. It is aſſerted in ſome of the French papers, that the quantity of Silver Coin, thus introduced into circulation, reduced the price of Silver in ſo great a degree, as to make the relative value of Gold compared to Silver as 17 to 1; but for this fact I do not anſwer. It is however aſſerted, that for ſome reaſon or other the National Inſtitute of France have long had under conſideration a new ſyſtem of Coins, particularly with the view of regulating the relative price of the two precious metals.

deſtroyed,

deſtroyed, or the temples he plundered; Suetonius ſays, "urbes diruit, ſæpius ob prædam quam ob delictum;" this influx of Gold into Rome reduced the relative value of Gold to Silver ſo low as $7\frac{1}{2}$ to 1. Such an event muſt have cauſed a ſudden convulſion in the monetary ſyſtem of the Roman republic; but theſe are extraordinary occurrences, againſt which it is impoſſible to provide; and any variation, occaſioned by revolutions or conqueſts, is ſeldom of long duration. Thus in France, the Silver, obtained in the manner before deſcribed, ſoon diſappeared, and the Government was obliged to introduce Aſſignats, or a certain ſpecies of paper currency, into circulation, to ſupply, in their internal traffic, the place of the Silver Coins, which had already left them, by the operation of a declining foreign commerce, or to pay their numerous armies employed in foreign countries; and theſe Aſſignats periſhed in their turn. In Rome, the relative value of Gold to Silver, in which ſo great a change had been produced by the conqueſts of Cæſar, gradually returned to its former proportion, which, in ancient times, in Greece, as well as in Rome, was generally as 10 to 1. In a buſineſs of this kind, all that human policy can effect is, to provide againſt ordinary contingencies: it is all that I preſume to expect from the ſyſtem, which I now preſent for Your royal approbation.

It is eaſy to foreſee ſome objections, that will be made to this ſyſtem; and I think it right not to paſs them wholly unnoticed.

It will be objected, in the firſt place, that, by the propoſed

alteration in the Silver Coins, thoſe of Gold will occaſionally be drawn out of the kingdom.

Though I may incur the charge of being tedious, I will venture to preface what I have to ſay in anſwer to this objection, by treating ſhortly of the exportation of Coins generally in payment of commercial balances with foreign countries.

Whenever the balance of trade with any particular country is againſt this kingdom, and no bills of exchange can be obtained to pay this balance through other countries in a circuitous manner; and no Bullion, or foreign Coins conſidered as ſuch, can be procured for that purpoſe; the Coins of the kingdom muſt be ſent out to pay that particular balance. The laws of the country are a fruitleſs barrier* in this reſpect; and if they could be enforced, they would only tend to injure and diminiſh our foreign commerce: but theſe Coins will be replaced by foreign Coins or Bullion received from other countries, and convertible into Britiſh Coins, as long as the general balance of trade is in our favour; and, in ſuch caſe, the ſtock of national Coins within the kingdom will not, for any length of time, be greatly diminiſhed.

* Mr. Necker, who agrees with me on this point, aſſigns one extraordinary reaſon for it, viz. that, by permitting the exportation of Coins, you create the neceſſity of making new Coins, and thereby increaſe the profits, which the King derives from his Seigneurage. Mr. Necker eſtimates theſe profits at no more than 25,000l a year from all the Mints in the French territories. This is certainly a ſmall ſum, and does not ariſe from a very creditable ſource. Mr. Necker dignifies theſe profits, as applied to the Coin exported, by calling them a tax on national exports. Vol. iii. 8vo. c. 4.

When

When the general balance of trade is againſt this kingdom, Bullion or foreign Coins will be exported in preference to Britiſh Coins, at leaſt as long as the law, which prohibits the export of theſe Coins, ſhall be in force: for this law increaſes the riſk, and conſequently the charge of exporting ſuch Coins, above that of exporting Bullion or foreign Coins.

See the Evidence of Walter Boyd, Eſq. taken before the Secret Committee of the Houſe of Lords, p. 107.

In the caſe laſt ſtated, either Gold or Silver Bullion will be firſt exported, according to the demand there may be for either of them in the market, to which it is to be ſent, and according to the price, which each of theſe ſorts of Bullion, or foreign Coins, conſidered as ſuch, may bear in that market, compared with the price of it in England: but if there is no reaſon, on that account, to prefer one ſort of Bullion to the other, the Gold Bullion will generally be ſent in the firſt place, becauſe it can be exported at a leſs charge than Silver Bullion, as it is of leſs bulk; and afterwards the Silver Bullion will be ſent, if a ſufficient quantity of Gold Bullion cannot be procured.

When there is a want of both Gold and Silver Bullion, or foreign Coins, to pay the balance of trade, the Coins of the kingdom, of one deſcription or other, will neceſſarily be exported, notwithſtanding any law, which may prohibit their exportation. The Gold Coins will be generally exported in the firſt place, not only for the reaſon I have already ſtated; but becauſe they can more eaſily be concealed, and the law, which prohibits the exportation of them, and the penalties inflicted on that account, be more eaſily evaded.

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For almoſt a century there have been no Britiſh Coins, which could be ſent in payment of balances due from this kingdom to foreign countries, except the Gold Coins; for, from the defective ſtate of our Silver Coins, none exiſted in the kingdom, which could be employed for that purpoſe, but at a great loſs to the exporter; and yet the commerce of the country has, through the whole of this period, continued to proſper; and Gold Bullion, as has been proved already, has generally been at a reaſonable price.

I entertain doubts, whether, if Britiſh Coins of any deſcription are to be ſent out of the kingdom, it is not more advantageous to the public, that the Gold Coins ſhould be exported rather than the Silver Coins. Thoſe Coins will firſt be exported, that are not deficient in weight, of whatever metal they may be made. For if they are deficient in weight, the exporter muſt pay the difference between the intrinſic and nominal value of ſuch defective Coins. If, to remedy this evil, and to preſerve all our Coins in a due ſtate of perfection, the charge of Coinage is to be paid by the public, the charge of coining Gold is much leſs than the charge of coining a quantity of Silver of equal value: the Silver Coins are alſo more eſſentially neceſſary for carrying on the interior commerce of the kingdom, and particularly the retail trade, than the Gold Coins; It is of more importance, therefore, that theſe ſhould be retained within the kingdom. The Gold Coins alſo have a ſubſtitute, which the Silver Coins have not, at leaſt in an equal degree; they may be repreſented by notes, or paper currency, which will anſwer the purpoſe of all great commercial tranſactions, even if a certain proportion of our Gold Coins

ſhould

ſhould be exported, till the balance of trade turn again in our favour, and the Coins ſo exported ſhall thereby be replaced.

I will now proceed to reply directly to the objection I have laſt ſtated. I have ſhewn already, that, in payment of foreign balances, Britiſh Coins of one deſcription or another muſt be exported, when there is not in the kingdom a ſufficient quantity of Bullion, either Gold or Silver, for that purpoſe: that in ſuch caſe the Gold Coins will firſt be exported, in preference to thoſe of Silver, though the Coins of theſe two metals ſhould, as far as relates to their intrinſic value, be in a perfect ſtate of equality, becauſe it is more profitable, more convenient, and more ſafe, to export the Gold Coins; and it is perhaps more for the advantage of the public, that the Gold Coins ſhould be ſo exported. But if it is meant by this objection, that, even when the balance of trade is generally in our favour, any difference in the intrinſic value of theſe two ſorts of Coins will introduce a miſchievous traffic in the Coins made of theſe two metals; or, in other words, that the Silver Coins of leſs intrinſic value will be exchanged for thoſe of Gold of more intrinſic value, merely for the purpoſe of exporting the latter; I beg it may be obſerved, that our Silver Coins have been for almoſt a century in a very defective ſtate; that the preſent Silver Coins are, on an average, at leaſt one third leſs in weight and value, than thoſe that will be made upon the plan I have propoſed; and yet the evil, which is the ground of this objection, has never happened. I do not conceive that the abſence of this evil is to be imputed to the want of a ſufficient quantity of theſe Silver

Silver Coins; for our preſent Silver Coins are mere Counters, without any impreſſion on the face or reverſe, or any graining on the edges, or indeed any exterior mark, by which they can be diſtinguiſhed as Coins; ſo that the counterfeiter could eaſily have fabricated or imitated Coins of this deſcription, with very little riſk, and in any quantity: and his profit muſt have been very great, if he could have practiſed the fraud before mentioned; and yet it is certain, that he has never thought it for his intereſt to engage in this ſort of traffic. It is proper further to obſerve, that Silver Coins have been legal tender, in payment for any ſum, equally with the Gold Coins, during the greateſt part of the period before mentioned; for the Act, which declared them not to be legal tender for any ſum exceeding 25l, did not paſs before 1774: but according to the plan I have propoſed, the new Silver Coins will not be legal tender for any ſum exceeding the nominal value of the largeſt piece of Gold Coin in currency: if therefore no traffic of this nature has been carried on when our Silver Coins were ſo much more deficient than they will be in future, and when they were legal tender to any amount, it is not likely that this ſort of fraud will be practiſed with the new Silver Coins, which will be ſo much more valuable, indeed nearly equal in intrinſic value to the Gold Coins, and when they will be legal tender only for a much ſmaller ſum, and when, from their external form and beauty, it will be ſo much more difficult to counterfeit them: it is evident, from the experience we have had, that the profits, which can be derived from this practice, are not equal to the trouble and danger in carrying it on; ſo that no perſon will engage in it: but if it ſhould be thought neceſſary, for the purpoſe of preventing

venting this evil, to employ any further guard or reſtriction, I will ſubmit to Your Majeſty, whether it may not be adviſable, that the Legiſlature ſhould veſt in Your Majeſty, or ſuch others as may be authoriſed by Your royal licence, (theſe will probably always be the Directors of the Bank of England,) the ſole right of carrying Silver to Your Mint to be coined: Your Majeſty will thus have it in Your power to limit and regulate the quantity of Silver Coins, which may at any time be ſent into circulation; but I beg to be underſtood, that I do not mean by this reſtriction, (if it ſhould be thought proper to adopt it,) that Silver Coins of every deſcription ſhould not be ſent in great plenty into circulation: it is highly important, for the convenience of Your people, particularly thoſe of the lower claſſes, that they ſhould at all times be current in great plenty.

The ſecond objection, which will probably be urged, is, that the Silver Coins propoſed to be made may fall in their value below their nominal rate or value, and that the price of all commodities may riſe in proportion; and as theſe Silver Coins are principally made uſe of in the retail trade, thoſe of Your Majeſty's ſubjects, who are the leaſt affluent, may ſuffer by this meaſure.

I ſhould feel the deepeſt regret if there was the leaſt probability, that any meaſure propoſed by me could, in the ſmalleſt degree, produce the conſequences ſtated in this objection; I am alſo ſure I ſhould thereby act contrary to Your Majeſty's benevolent intentions. When Your Majeſty ſignified Your royal commands to me, as well as others of Your ſervants, to

take this ſubject into conſideration, I am certain, that the object, which You then had at heart, was to remove a great inconvenience, to which Your people had long been expoſed; and, for this purpoſe, to form a plan of introducing into circulation new and better Silver Coins, in ſufficient plenty, founded on principles of wiſdom and juſtice: and I am confident, that I ſhall be able to aſſign reaſons, which will convince Your Majeſty and the public, that the evils ſtated in this objection are not likely to reſult from the ſyſtem, which I have ventured to recommend to Your Majeſty.

Thoſe who urge this objection are led into error, by ſuppoſing, that theſe new Silver Coins will fall in their value, in like manner as the defective Silver Coins fell in their value, before the general Recoinage, in the reign of William III. and that the price of all commodities will riſe in proportion: they do not advert to ſeveral circumſtances, which make the caſes wholly diſſimilar.

In the reign of King William III. the Silver Coins were underſtood to be the principal meaſure of property: the Gold Coins at that time changed their value, like other commodities, that is, were current for more or leſs, in reference to the ſtate of the Silver Coins, and the relative price of Gold to Silver at the market: all our exchanges with foreign countries were then regulated by the intrinſic value of our Silver Coins. The reverſe is the caſe at preſent. The Gold Coins are become the principal meaſure of property and inſtrument of commerce; and our commercial balances with foreign nations are not only regulated by them, but paid in them,

them, as has been fully proved already: the Gold Coins no longer take their value with reference to the Silver Coins; but theſe Silver Coins, as well as every other commodity, now take their value with reference to the Gold Coins, and they paſs in currency according to the rate, at which they can be exchanged into the Gold Coins. The Gold Coins have in fact become, for almoſt a century, the mercantile Money of the kingdom. When the exchange with foreign nations is at any time againſt this kingdom, any defect in thoſe Coins, which are the principal meaſure of property, will then firſt ſhew itſelf by a riſe in foreign exchanges to our diſadvantage; and the merchant, to compenſate the loſs he ſuſtains thereby, will naturally raiſe in due proportion the price of all his merchandize: this increaſe of price gradually extends itſelf to every commodity, and at laſt reaches even the moſt common neceſſaries of life: ſuch is the progreſs, by which the price of all commodities is raiſed, in conſequence of a defect in our Coins. But this riſe is influenced by a defect in that ſort of Coin only, which is the principal meaſure of property, and in which our balances to foreign countries are regulated and paid. The truth of theſe principles is fully illuſtrated by comparing what happened in the reign of King William III. with what has happened of late years. In the reign of King William III. when the Silver Coins were the principal meaſure of property, and were greatly defective, the price of all commodities roſe in proportion; but ſince the Gold Coins are become the principal meaſure of property, though our Silver Coins are upon an average as defective, as they were before the general Recoinage, in the reign of King William III. the price of commodities, even when purchaſed with Silver Coins,

has not riſen on account of the defect of theſe Silver Coins: the preſent defective Silver Coins continue to be paid and received at their nominal value, and according to the rate, at which they can be exchanged for our Gold Coins; ſometimes, when they are wanted for particular purpoſes, they are exchanged even at a premium above their nominal value.

The errors in this reſpect of all the late writers on Coins have proceeded from a peruſal of the works of Mr. Locke, without obſerving, that the ſtate of the Coins of the kingdom is wholly changed from what it was when he conſidered this ſubject: it is probable, that if this great man had lived to the preſent times, he would have been ſenſible of the change: he would have applied his principles to the facts as they now exiſt, and would have drawn his concluſions in conformity to them.

It is extraordinary, that any one ſhould ſuppoſe, that the propoſed new Silver Coins will not paſs in currency at as high a nominal value as the very defective Silver Coins now in circulation; for they will exceed them in intrinſic value by at leaſt one third; and though theſe new Silver Coins may contain a ſmall proportion of Silver leſs than what is required by the preſent Mint indenture, yet the difference in weight will be very inconſiderable, probably not more than is occaſioned by wearing in a very ſmall ſpace of time: their intrinſic value, conſiſting of metal and workmanſhip, will be equal to their nominal value, eſtimating the value of the Silver they contain at a fair average.

If any one can entertain the idea, that theſe Coins will be ſent into circulation in ſo great numbers, that their value will be depreciated by their plenty, I certainly have no ſuch apprehenſion. If however there ſhould be the leaſt poſſibility, that this conſequence would follow, the remedy, which I have propoſed at the cloſe of my anſwer to the firſt objection, may be immediately applied to prevent this evil.

Thirdly, the laſt objection of which I ſhall take notice, is, that by declaring the Gold Coin to be at preſent the principal meaſure of property, an alteration will be made in all bargains, and in the terms of all covenants and contracts, which were concluded previous to the change which has taken place, and when the Silver Coins were underſtood to be the principal meaſure of property.

This objection might have ſome weight, if the change had happened of late years only; but it has already been ſhewn, that it has exiſted, and that all payments have been regulated in conformity to it, for almoſt a century. This objection might alſo have weight, if this change had been brought about by the authority of Government. It has been ſhewn, that it was brought about, not by the authority of Government, but by the courſe of events, with the acquieſcence, and I may ſay the general conſent of the people.

Some inſtances may be produced, from the hiſtories of France and of Scotland, of regulations in the laws of both countries, which directed, that any payments made by virtue of contracts, concluded previous to any debaſement in their Coins,

Black Acts, James III. Act 23.

Coins, ſhould be according to the rate, at which the Coins were valued before ſuch debaſement; but in all theſe caſes the debaſements were made by the authority of Government, and for the profit of Government: no law or regulation of this ſort can be found, as far as I am informed, in the hiſtory or records of this kingdom.

After the lapſe of almoſt a century, it is not probable, that there can be any great number of bargains, covenants, or contracts, now ſubſiſting, which were concluded previous to the change that has taken place in the principal meaſure of property. If any ſuch ſhould now exiſt, it is certain, that all thoſe, who for ſo long a period have received any payments by virtue of them, muſt have conſented to take theſe payments in the Gold Coins of the realm, according to the rate, at which they have been current, and are now current; and by this acquieſcence for ſo long a term, they may fairly be preſumed to have ſufficiently expreſſed their aſſent to the change that has happened in the manner of making ſuch payments, that is in the meaſure of their property.

With reſpect to the public debt, it is certain, that the laſt mentioned argument, founded on an acquieſcence in the mode of payment for ſo great a number of years, applies no leſs to the public than to the private creditor. It is proper further to obſerve, that much the greateſt part of this debt has been contracted ſince the change in the meaſure of property has taken place; and in the year 1740, when the annuities payable on the greateſt part of the public debt were reduced from 4 to 3 per cent. a fair option was given to the public creditors,

tors, whether they would accept of the propoſal made for this reduction, or be paid their capital: at that time, therefore, a new contract muſt be underſtood to have been made with theſe creditors; and it could then have been made only in the Coins, which were at that time the principal meaſure of property, that is, the Gold Coins.

Having now completed all that I meant to offer on the principles of Coinage, and on the new ſyſtem, which, in my judgment, ought to be adopted; and having endeavoured to anſwer the objections, which may be made to it, I will proceed to apply theſe principles more in detail to the ſeveral ſorts of Coin, whether made of Gold, Silver, or Copper, and I will ſhortly treat of each of them.

The Gold Coins are the firſt in rank, and by far the moſt valuable of thoſe which are current in Your Majeſty's dominions. It is impoſſible to eſtimate, with any degree of accuracy, what may be the preſent quantity of them in circulation; we have not ſufficient data, on which to found any reaſonable calculation. There was indeed a time, when theſe might, in a certain degree, have been obtained: I allude to the general Recoinage of the Gold Coin, which commenced in the year 1774.

A ſhort time previous to this Recoinage, the Directors of the Bank had ſent Ingots of Gold to the Mint, amounting in weight to 20,337 lbs. which produced in Coin 950,245l. Theſe Coins however were reſerved in the coffers of the Bank, and not delivered to the public till the general Recoinage was completed.

During

During this Recoinage the ſaid Directors ſent to the Mint Ingots of *foreign* Gold, amounting in weight to 62,033 lbs. which produced in Coin 2,898,491l.

In the courſe of the general Recoinage, the old and defective Gold Coins, that were brought to the Mint to be recoined, produced in Ingots 355,233 lbs. 1 oz. 8 dwts. 6 grs. and in new Coins 16,598,266l.

It was ſuppoſed, that at that time there remained in circulation within the kingdom, of old Guineas and Half Guineas of due weight, about 5,000,000l in nominal value: this laſt ſum is merely conjectural; but this conjecture, as I well remember, was founded on the judgment of perſons the beſt informed on ſuch ſubjects.

The total of the ſeveral ſums before ſtated amounts to 25,447,002l. Such therefore is the value of the Gold Coins, which on good information were ſuppoſed to have been in circulation immediately after the general Recoinage.

From that time the Mint has been employed in coining a very great number of Guineas, and other Gold Coins, partly from Ingots of what is called foreign Gold, and partly from Gold Coins become deficient in weight, and on that account returned to the Mint. The nominal value of what has ſo been brought to the Mint to be coined, as I am informed, amounts to 36,290,201l 3s 3d, that is, 18,720,388l 14s 6d in Ingots of foreign Gold, and 17,569,812l 8s 9d in Gold Coins, which became defective in weight during this period.

Notwith-

Notwithſtanding the immenſe quantity of Gold Coins, which have ſo been made and iſſued from the Mint, I cannot venture to eſtimate the quantity of Gold Coins now in Your Majeſty's dominions at more than thirty millions in nominal value, that is, 4,552,998l more than were in circulation immediately after the general Recoinage. This is certainly nothing but a conjecture. I can aſſign but one reaſon for ſuppoſing, that the Gold Coins now in Your Majeſty's dominions ſhould exceed the quantity current within the kingdom at the period laſt mentioned, by ſo large a ſum as 4,552,998l; which is, that the general commerce of the country has certainly greatly increaſed ſince the year 1777, when the Recoinage of the Gold Coin was completed. On the other hand I can aſſign reaſons from which I ſhould infer, that they muſt now be leſs in number and value. The number and value of the Bank Notes, which are at preſent in circulation, compared with thoſe that were in circulation at the firſt of theſe periods, is certainly much increaſed: the number of country Banks that have been eſtabliſhed, and the quantity of Paper currency, under various deſcriptions, which has been iſſued by them, is increaſed in a ſtill greater degree. It has already been obſerved, that theſe Bank Notes[a], and the paper cur-

[a] I have been informed, that the Caſh paid by the London Bankers, compared with what they pay on an average daily in Bank Notes, does not amount in one inſtance to more than one in thirty; in another to one in forty; in a third to one in one hundred and forty; and in a fourth inſtance the diſproportion is ſtill much greater. The difference in the relative quantity of Guineas to Bank Notes in the daily payments of theſe Bankers, ariſes from a difference in the nature of the buſineſs, which they reſpectively carry on. In the country every one muſt have obſerved, in their reſpective neighbourhoods,

rency of country Bankers, particularly Notes for very ſmall ſums, certainly take the place of the Gold Coins, make the uſe of them leſs neceſſary, and therefore drive them out of circulation. The complaints from the country on this ſubject are univerſal.

In eſtimating the quantity of Gold Coins now within Your Majeſty's dominions, it would be abſurd to rely on mere conjecture. I think that I reaſon on better foundations, when I draw my concluſions from the account that has been given, on good authority, of the quantity of Gold Coins that were in circulation immediately after the general Recoinage; from the increaſed commerce of the country ſince that time; and alſo from known facts, namely, that the quantity of Bank Notes, and the quantity of paper currency iſſued by country Bankers, have ſince that period greatly increaſed. There can be no doubt that theſe two ſorts of paper currency have driven a great proportion of the Gold Coins out of circulation: the Notes of country Bankers prevent even the circulation of Bank Notes in any quantity, except in the Metropolis, and a ſmall diſtance from it; and this obſervation proves, that there is a conſtant conflict between the Coins and Notes of every deſcription, and even between the different ſorts of theſe Notes themſelves; ſo that they tend to exclude and to take the place of each

bourhoods, how very ſmall is the proportion of Guineas, or Caſh of any kind, to the country Bankers Notes that circulate there. The quantity muſt vary in different parts, according to the number of country Bankers that have been eſtabliſhed, and the value of the Notes ſent by them into circulation.

other.

other. The preceding mode of reaſoning I prefer to looſe eſtimates and vague ſpeculations, and I leave it to Your Majeſty, and ſuch of Your ſubjects as may peruſe this Letter, to determine, whether it is not probable that I have rather over-eſtimated the quantity of the Gold Coins now within Your European dominions, when I ſuppoſe it to amount to 30,000,000l. I have been the more particular in endeavouring to aſcertain this point in a reaſonable degree, and to ſhew, that the quantity of Gold Coins now in Your Majeſty's dominions is not ſo great as ſome have ſuppoſed, becauſe it will throw light on a ſubject of great importance, connected with the Coins of the realm, which muſt, I am perſuaded, ſoon come under the conſideration of the Legiſlature; I mean the paper currency of the kingdom.

It is natural to aſk, what is become of the great number of Gold Coins, which remained in circulation immediately after the general Recoinage, and the ſtill greater number that have been iſſued from Your Majeſty's Mint ſince that time. I anſwer, that a conſiderable part has been returned to the Mint and recoined: theſe appear, by what I have already ſtated, to be no leſs than 17,569,812l 8s 9d. Another, and perhaps a ſtill greater portion has been ſent out of the kingdom, during the preſent and the two preceding wars, particularly the firſt of theſe wars, that is, the American, for the payment of Your Majeſty's foreign garriſons, and Your Majeſty's fleets and armies ſerving in foreign parts, and the various charges neceſſarily connected with them. In proof of this it is proper to obſerve, that our exchanges with foreign countries are generally in our favour in time of peace, but they are leſs con-

ſtantly in our favour when we are engaged in war: and though a part of theſe Coins, ſo exported, may have returned to Great Britain in the courſe of trade, a much greater proportion is either ſtill circulating in foreign countries, particularly thoſe belonging to the United States, or has been melted and converted into Ingots, for the ſupply of foreign Mints, or has formed a part perhaps of thoſe Ingots, which have been ſold in the Britiſh market, for the ſupply of the Britiſh Mint.

I am aware, that Mr. Necker, in his Treatiſe on the Adminiſtration of the Finances of France, has eſtimated the quantity of Specie circulating in that kingdom at the time when he wrote his Treatiſe, as amounting to [a] 2,200,000,000 Livres, or 91,666,666l. This appears to be an enormous quantity, eſpecially when it is conſidered, that the Coins circulating in France were principally made of Silver; it is more than three times the value of the Gold Coins now circulating in Your Majeſty's European dominions, according to what I have ſuppoſed, and yet, in Your Majeſty's dominions, internal trade and maritime commerce are much more active and extenſive. Monſ. de Calonne appears by his writings to have carried his eſtimate ſtill further. I cannot ſay that I place any great confidence in the eſtimates of either of theſe Gentlemen. They were political combatants then at war with each other, and contending for the favour of their Sovereign, and of his people; and for this purpoſe, it was the

[a] Wherever the mention of Livres occurs, or where Engliſh Money is to be converted into them, the reader will allow 24 to the Pound Sterling. This eſtimate is not perfectly correct, but is ſufficiently ſo for the preſent purpoſe.

buſineſs

buſineſs of each of them to over-rate the wealth, and conſequently the Coins circulating in the French dominions, particularly during his own adminiſtration. Mr. Necker appears to have much under-rated the quantity of French Coins exported annually from that country, as well as the quantity driven out of circulation, and returned to the French Mints in order to be recoined. It is probable, that theſe laſt, particularly thoſe made of Silver, muſt be more numerous in France than in other countries, as large ſums were paid in the capital and great commercial towns in bags of Silver Coin, and not by tale; ſo that more attention muſt have been paid to the weight of them. But ſuppoſing the quantity of Coins circulating in France to have been, when Mr. Necker publiſhed his Treatiſe, as great as he has eſtimated them, it is not impoſſible to account for the different proportion of Coins circulating in Great Britain and France, if we compare the extent of territory, number of ſubjects, and the commerce in each of them: I need only obſerve, that before the French Revolution, payments in commercial tranſactions were almoſt wholly made in France in Coins, and very little in what we call paper currency: and, on the other hand, that in Your Majeſty's European dominions ſuch payments are principally made in paper currency, or in inland bills of exchange, and a very ſmall proportion in Coins. I cannot help obſerving, that the different ſtate of the two countries in this reſpect is a deciſive proof in how great a degree a paper currency tends to exclude the uſe of Coins.

As a part of this Subject, it is proper that I ſhould now proceed to treat ſhortly of the art of aſſaying, as practiſed at

Your

Your Majeſty's Mint; of the alloy put into the metals of which the Coins are made; and of the weight of the Coins as iſſued from Your Majeſty's Mint; and of their faſhion.

The art of aſſaying, as practiſed at Your Majeſty's Mint, is carried to a very high degree of perfection. This art has been improving from the reign of Charles II. to the preſent time. In the reign of Charles II. the defect in fineneſs of our Gold Coins is ſtated to have been 9s $10\frac{2}{11}$d per cent. At preſent the metal of which our Gold Coins are made is declared to be perfect ſtandard[a]: this perfection in the fineneſs of the Gold of which our Coins are made is greatly to be attributed to the ſkill of that excellent Officer of the public, the late Mr. Alchorne. In ſeveral experiments or trials of the Pix made by the Goldſmiths Company on twenty-eight millions of Gold Coin, ſent into circulation, there has been recorded no deviation in fineneſs. By the Mint indentures, if the Gold Coin

See the Records of the Trials of the Pix.

[a] Previous to the Recoinage of the Gold Coin in 1774, experiments were made of the fineneſs of the Gold Coin iſſued in the reigns of our ſeveral Princes from Charles II. to the preſent time, by melting Guineas of each reign into Ingots of 15 lbs. each; and from the contrary ends of each Ingot aſſays were made, by which it appeared, that in former reigns the Gold Coins were worſe than ſtandard in the following proportions.

Charles II.	26	grs. Troy worſe than ſtandard,	9s $10\frac{2}{11}$d per cent.
James II.	30	- - - - - -	11s $4\frac{4}{11}$d per cent.
William	13	- - - - - -	4s $11\frac{1}{11}$d per cent.
Anne	7	- - - - - -	2s $7\frac{9}{11}$d per cent.
George I.	6	- - - - - -	2s $3\frac{3}{11}$d per cent.
George II.	3	- - - - - -	1s $1\frac{7}{11}$d per cent.
George III.	ſtandard.		

does

does not vary more than 40 grains in fineneſs or in weight in the Pound, or in both together, which is called the remedy, ſuch Gold Coin is allowed to paſs as ſtandard; or, in other words, it is to be conſidered as perfect as the Officers of the Mint are under any legal obligation to coin it. I have already obſerved, that in the before-mentioned trial of the Pix by the Goldſmiths' Company, there was no deviation in fineneſs; and in the ſame trial there has not been recorded more than an error of 4 grains in weight. The Officers of the Mint therefore might have varied in weight or fineneſs 36 grains more in each Pound, or as much as 13s $7\frac{3}{4}$ per cent. without incurring any blame or penalty on that account, provided ſuch error was not committed by deſign. It is clear from hence, that the remedy allowed in coining Gold, by our Mint indentures, is too great, and it produces this ill effect, as I am informed, that our Gold Coins are eſtimated in foreign Mints at leſs than their intrinſic value: ſome of theſe foreign Mints are ſaid not to make any difference between the Gold Coins of former reigns, and thoſe made during the reign of Your Majeſty, though theſe laſt iſſue from Your Majeſty's Mint in ſo ſuperior a degree of accuracy, both with reſpect to weight and fineneſs.

The alloy put into theſe Gold Coins is in its quality as proper as can be deviſed: from the great quantity of Gold Coins, which have been returned through deficiency in weight to Your Majeſty's Mint, ſince the general Recoinage, a ſuſpicion had been entertained, that the nature of the alloy put into theſe Coins rendered them too hard and brittle, and ſubject to abraſion and ſpeedy diminution, by friction. To aſcertain

certain this fact, Mr. Hatchett, an excellent chemiſt, was employed, under the inſpection of that very eminent philoſopher, Mr. Henry Cavendiſh, to make experiments, for the purpoſe of ſhewing how far this evil was produced by the nature of the alloy put into our Gold Coins; and whether it could not be remedied by making an alteration in the alloy. The Gentlemen before mentioned employed a conſiderable time in making experiments on the quality of different metals. They exerted great ability as well as induſtry to aſcertain the point referred to them; and in a Report[a], made by Mr. Hatchett, it appears to be the reſult of their opinion, that Gold Coins are not ſo likely to wear by abraſion and friction, if they are alloyed with Silver and Copper mixed; but that the difference between them and Coins alloyed with Copper alone, provided the Copper be very pure, is ſo little, that there is no ſufficient reaſon for altering the preſent alloy in our Gold Coins, conſiſting alone of pure Copper.

With reſpect to the weight of the Gold Coins, as iſſued from Your Majeſty's Mint, I have ſhewn how ſmall the error of late has been, and that they are made by the Officers of Your Majeſty's Mint as correct and perfect as can be expected.

The faſhion or form of theſe Coins is certainly ſubject to

[a] See the ſubſtance of this very curious and elaborate Report, in the Tranſactions of the Royal Society for the year 1803. This Report is ſo much eſteemed in France, that I underſtand it has been tranſlated, by order of the French Government, into the French language, by the Comptroller of the Mint at Paris, with Notes by Guyton de Morveau.

ſome

ſome defect, which expoſes them too much to be worn or diminiſhed in common uſe by abraſion or friction. The nature of the milling or graining on the edges is ſuppoſed to be too rough, and other parts of the Coin are thought to have too many ſharp points. In what manner and to what degree this defect can be removed, can beſt be determined by the Officers of Your Majeſty's Treaſury, after having conſulted the Officers of Your Mint, and examined the moſt eminent artiſts, as well as the Directors of the Bank of England: I ſhall ſay therefore nothing further upon it. I ſhall alſo ſay nothing on the beauty of the Coins, which I think ſhould rather be referred to Your Majeſty's judgment.

I proceed now to treat of the Silver Coins, which are the ſecond in rank, and next in value to thoſe made of Gold. The quantity of legal Silver Coins now in currency is certainly far too ſmall for the purpoſes of commerce, particularly of the retail trade, and for the convenience of Your people. Their deficiency in weight is at preſent even greater than before the general Recoinage of the Silver Coins in the reign of William III. It is impoſſible to form any eſtimate or reaſonable conjecture of the nominal value of the legal Silver Coins now in circulation; I mean of ſuch as have been coined in the Mints of this kingdom: it is poſſible however to aſcertain the value which they cannot exceed. The nominal value of the Silver Coins which were coined at the general Recoinage in the reign of William III. and thoſe which have been occaſionally coined ſince that period, amounts to 8,076,092l. Of theſe the Crown Pieces, amounting in value to 1,553,047l, have, as I have already obſerved, wholly diſappeared; their

value therefore muſt be deducted from the total above mentioned[a].

I think I may fairly eſtimate, that one moiety of the Half Crown Pieces have in like manner diſappeared; half of their value, being 1,164,785l, muſt therefore be deducted, which leaves 1,164,785l, being the value of the remainder.

What may be the nominal value of the legal Shillings and Sixpences, and Silver Coins of ſmaller denominations remaining in circulation, it would be idle to attempt to form a conjecture; their number has certainly very much diminiſhed. I will venture to deduct one third, and the nominal value of thoſe that remain will then be 2,795,650l.

The total value of all the legal Silver Coins now in circulation cannot, therefore, according to this eſtimate, exceed 3,960,435l: it is probably very much leſs.

There are certainly many counterfeits in circulation, but fewer I believe than is generally imagined. It is not very difficult to diſcover them; and the Officers of the Mint can readily diſtinguiſh them from the legal Silver Coins, by the quality of the metal.

[a] For ſome time after the general Recoinage, in the reign of William III. there were many Crowns and Half Crowns of Charles II. and James II. in circulation; but theſe have wholly diſappeared, and cannot now be found, except in the cabinets of the curious.

The

The preſent deficiency in weight of the legal Silver Coins, according to their ſeveral denominations, has been aſcertained by the two following experiments; the one made in December 1787; the other, in July 1798, by the Officers of Your Majeſty's Mint.

In 1787 it was found that

$12\frac{8}{10}$ Crowns	were requiſite	$12\frac{4}{10}$ Crowns	As
27 Half Crowns	to make up a	$24\frac{8}{10}$ Half Crowns	iſſued
$78\frac{1}{10}$ Shillings	Pound Troy,	62 Shillings	from the
$194\frac{6}{10}$ Sixpences	inſtead of	124 Sixpences	Mint.

In 1798 it was found that

$12\frac{33}{40}$ Crowns	were requiſite	$12\frac{16}{40}$ Crowns	As
$27\frac{21}{40}$ Half Crowns	to make up a	$24\frac{32}{40}$ Half Crowns	iſſued
$82\frac{9}{40}$ Shillings	Pound Troy,	62 Shillings	from the
$200\frac{37}{40}$ Sixpences	inſtead of	124 Sixpences	Mint.

And if we compare the deficiency in weight of theſe ſeveral denominations of Silver Coins, according to the laſt experiment, with what they ought to weigh by the Mint indenture, the deficiency will amount in the

Crowns to $3\frac{161}{513}$ per cent.
Half Crowns $9\frac{991}{1101}$ per cent.
Shillings $24\frac{1964}{3289}$ per cent.
Sixpences $38\frac{2294}{8037}$ per cent.

It is ſingular, that theſe ſeveral Silver Coins, particularly the Shillings and Sixpences, though in general they retain no remains of any impreſſion, or any rough edges, which would

make them ſubject to friction, appear to have diminiſhed by uſe in the ſhort interval of eleven years, according to the experiments above mentioned, in the following proportions.

Crowns $\frac{100}{313}$ per cent.
Half Crowns $1\frac{333}{367}$ per cent.
Shillings $5\frac{55}{3289}$ per cent.
Sixpences $3\frac{1189}{8037}$ per cent.

From this laſt obſervation it is fair to conclude, that theſe Silver Coins have even continued to diminiſh in weight ſince the laſt experiment made in 1798, and will probably di-diminiſh in future: and yet, though ſo very defective, they are ſtill current at their nominal value, and ſometimes even a premium is given for them, as I have already obſerved.

What I have ſaid, in treating of the Gold Coins, of the art of aſſaying, as practiſed at the Mint; of the quality of the alloy; and of the correct weight, at which they are iſſued from the Mint, applies equally to theſe Silver Coins, ſo that I need not here repeat it.

Permit me, however, in this place to obſerve, that the new Silver Coins will ſurpaſs all the others in beauty; and will, in that view, be acceptable to Your Majeſty's people. They are not only made of a metal which takes a fair and pleaſing impreſſion, but, being of a greater number of denominations than thoſe of any other metal, their various ſizes afford a larger ſcope to the engravers and artiſts, for the exerciſe of their reſpective talents in deſign and execution.

From

From the preſent deficiency of the legal Silver Coins, and from the nominal value of thoſe ſuppoſed to remain in circulation, an eſtimate may be formed of the charge, which would be incurred in making any compenſation to the holders of them, for ſuch deficiency, in caſe they ſhould be called in or cried down.

It would ill become me to offer to Your Majeſty any advice—whether, in this caſe, any compenſation ſhould be made, or what ſhould be the amount of the compenſation. Your Majeſty will of courſe decide on this queſtion by the advice of Your Parliament. It will be ſufficient if I lay before Your Majeſty ſuch precedents as I have collected, in order to enable Your Majeſty and the Two Houſes of Parliament to exerciſe a proper judgment on this point.

I believe it will be found, that in foreign countries no compenſation was ever made for deficient Coins, that have been driven out of circulation, or have been called in to be recoined. At ſo late a period as the year 1749, when the Government of Holland recoined all their Ducats, and called them in for that purpoſe, they paid no more for them than their value by weight. From the hiſtory of this kingdom it appears, that when Henry V. called in the deficient Gold Coins, in the 9th year of his reign, he received them by weight; but, in order to relieve his ſubjects from the loſs they ſuffered on this occaſion, he gave up, for a certain time, the profits ariſing from Seigneurage. When Queen Elizabeth called in all the baſe and deficient Silver Coins, in the ſecond year of her reign, ſhe received them by weight, paying for the

See 9th Hen. V. Stat. 1. cap. 11. ſec. 3.

the beſt of them very little more than they were worth when melted down; and for ſuch of them as were moſt debaſed, the exact value of the ſtandard Silver they contained; telling her ſubjects, *that in no realm any Prince had done the ſame, or ought to do.* She alſo gave up the profits ariſing from Seigneurage. The Parliament of England in 1647 called in the clipped Money, paying for it according to its weight[a], at certain rates: they allowed however the old Monies, which were diminiſhed only by wearing and waſting, to continue ſtill in circulation. Charles II. at the Reſtoration called in all the Money coined during the Uſurpation, receiving it by weight; he gave up, I believe, half the profits ariſing from Seigneurage: theſe profits were wholly taken away by Act of Parliament five years afterwards, when certain duties, called Coinage duties, were given him to defray the charge of coining. At the general Recoinage of the Silver Coins in the reign of William III. Mr. Locke was of opinion, that the old Silver Coins ſhould have been received according to their intrinſic value by weight: the Houſe of Commons, however, contrary to the opinion of Mr. Locke, conſented to pay all the loſs ariſing from the defects of the Silver Coins, and ordered the receivers of the public revenue to take the clipped Money in payment, "though of a coarſer alloy than ſtandard, "the ſame not evidently appearing to be Copper, or baſe me-"tal, or waſhed with Silver only." We are informed, "that "this regulation operated as an encouragement to the further

See Scobel, 1647. ch. 91.

[a] The allowance the Parliament made, on this occaſion, for the clipped Money, appears to me to be extraordinary; they allowed only 4s 10d per oz. Troy in the country; and 4s 11d in London.

"clipping

" clipping of the Coins, and gave the clippers all the advan-
" tage they could deſire, as they were now ſure of a market
" for their clipped Money, whatever the defect of it might
" be; ſo that what had been hoarded, and hitherto eſcaped
" the ſhears, now underwent the ſame fate; and the hiſto-
" rians, who give an account of this tranſaction, think it not
" improbable, that more was clipped under this general li-
" cenſe than had been before." I have never been able to obtain an account of the charge incurred for compenſating the deficiency of theſe Silver Coins. This compenſation, as well as the charges of the Mint for recoining theſe deficient Coins, was enormous[a]: the nation was in a ſtate of diſtreſs, and even confuſion, and the people were ready to pay any thing out of the public purſe, in order to relieve themſelves from the difficulties to which their private concerns were expoſed. When the deficient Gold Coins were called in, in the year 1774, to be recoined, their deficiency was compenſated to the holders, according to a plan then ſettled, which will be found in the Books of Your Majeſty's Treaſury. This plan was ſucceſsfully

[a] As the Receivers of the public revenue and the Officers of the Exchequer received theſe deficient Coins at their nominal value, in the receipt of the taxes, a great part of the charge incurred on that account ſhewed itſelf in deficiency of revenue, and the amount of it therefore has never been aſcertained. It appears by the Journals of the Houſe of Commons, that large ſums were occaſionally voted for the payment of the charge incurred from the deficiency of the Coins, and the charge of Recoinage: but I cannot find any account, which collects together the whole of this charge, or diſtinguiſhes between the charges of compenſation and recoinage; and I believe that no ſuch account exiſts: ſome aſſertions, or rather conjectures, will be found in printed books on the extent of theſe charges; but no official account, as far as I am informed, was ever rendered of them.

carried

carried into execution without complaint or murmur; and as it was better managed than that at the Recoinage of the Silver Coins in the reign of King William, the charge for compenſating ſuch deficiency, and for the Recoinage, was much leſs, though very great: an account of it will be found in the Journals of the Houſe of Commons, or in the Papers preſented to that Houſe. When, in the year 1797, Your Majeſty ordered new Copper Coins to be iſſued, in conſequence of an Addreſs of the Houſe of Commons, no compenſation was made either for the legal, or, as they are called, Tower Halfpence and Farthings, or for the Counterfeits that circulated together with them; and yet it was reaſonable to conclude, that they would be driven out of circulation, and be rendered almoſt of no value; and they were in fact ſo driven out in ſome parts of the kingdom. I have no doubt, that if that meaſure had been purſued with celerity and vigour, all the Counterfeits at leaſt would have wholly diſappeared: the people, and in particular the pooreſt claſſes, who ſuffered moſt from this meaſure, rejected the old Copper Coins, and bore the loſs ſuſtained thereby without complaint or murmur.

It would be improper for me to ſuggeſt any plan for crying down or calling in the deficient Silver Coins now in currency, whether their deficiency is to be compenſated or not. It will be the duty of the Officers of Your Majeſty's Treaſury to ſubmit to Your Majeſty their advice, on the manner of carrying this part of the buſineſs into execution; and the plan, whatever it may be, ſhould not, for obvious reaſons, be diſcloſed till the moment of execution. I have already ſhewn on what prin-

principles the new Silver Coins ſhould be made, ſo that they may be current at the ſame time with the Gold Coins, and that there may be no longer a conflict between the Coins made of the two metals, and a traffic driven in the exchange of one for the other; an evil to which the public was occaſionally expoſed for more than two centuries.

I have alſo ſtated to what amount the Silver Coin ſhould be made legal tender.

In the courſe of the laſt year, Spaniſh Dollars to a conſiderable amount were ſent into circulation, with new impreſſions ſtruck upon the face and reverſe of them. They were iſſued, with the conſent of Government, by the Bank of England, who engaged to receive them back at the rate or value at which they were ſent into circulation. This meaſure was adopted in conformity to what had been practiſed with reſpect to Copper Tokens, in the beginning of the 17th century. I have already obſerved, that Queen Elizabeth would not ſuffer any currency of this deſcription to be iſſued; and James I. when he did iſſue them, would not ſuffer them to be called Coins, but *Tokens:* many of theſe Copper Tokens were ſent into circulation in a ſubſequent period, by individuals, particularly during the confuſions that prevailed in the courſe of the civil wars. The Dollars iſſued in the courſe of laſt year are certainly not Coins, though they have the impreſſion of Your Majeſty; for they are not current under Your royal authority, and no one is obliged to take them as legal tender in payment of any debt. They are merely Silver Tokens.

The juſtification of this meaſure reſts ſingly on the abſolute neceſſity there was for theſe Silver Tokens, to pay the ſeamen of the Royal Navy, and the artificers in the great docks of the kingdom, from the want of Coins of the lower denominations, which are neceſſary for that purpoſe: the blame, therefore, if any ſuch is to be imputed, falls not on thoſe who permitted theſe Dollars to be iſſued, but on thoſe who neglected to ſupply Your Majeſty's ſubjects with a ſufficient quantity of legal Silver Coins, to be employed in thoſe payments, for which theſe Dollars now paſs. But not only Your Majeſty's ſailors and Your own artificers are in want of legal Silver Coins; the labourers in every part of the country, and the manufacturers in the great and populous towns of this kingdom, and all Your good people in every part of it, particularly the inferior claſſes, ſuffer equally from the want of them. On this occaſion allow me to ſubmit to Your Majeſty a moral conſideration, which will, I am perſuaded, make a ſtrong impreſſion on You: the lower ranks are occaſionally led into exceſſes from the want of a ſufficient quantity of Coins of the ſmaller denominations; for when they receive their weekly wages, they are frequently compelled by their employers to attend for payment at alehouſes, and places of that deſcription, where Coins, or a low ſort of paper currency ſometimes called Silver Notes, are provided for that purpoſe; and the poor are thereby too frequently tempted to ſpend, in the purchaſe of liquors, a part of what they have gained by their induſtry, which ought to have been reſerved for the ſober maintenance of themſelves and families.

I proceed in the laſt place to treat of the Copper Coins, which are the loweſt in rank and leaſt in value.

It

It is more difficult to form any judgment of the value of the Copper Coins now in circulation, than of thoſe made of Gold or Silver: in the year 1787, the Officers of Your Majeſty's Mint were of opinion, that the lawful Copper Coins iſſued from the Mint, and remaining then in circulation, were equal in weight to nearly 1500 tons, and in nominal value to 322,000l Sterling: no Copper Coins have been iſſued, I believe, ſince that time, from Your Majeſty's Mint. Mr. Boulton coined, by Your Majeſty's order, 1815 tons of Copper into Twopenny Pieces, Penny Pieces, Halfpence, and Farthings, amounting in nominal value to 282,075l 5s 8½[a]. The principle adopted in making theſe Coins was, that the nominal value of each Piece ſhould be equal to the value of the metal which it contained, and the price of the workmanſhip employed in making it: theſe new Coins therefore were of much more intrinſic value than any Coins of that metal, which had been hitherto iſſued. The Lords of the Committee on Coin were under two difficulties:—it was impoſſible, in their opinion, to make any compenſation for the great number of the different ſorts of Copper Coins, legal or counterfeit, then in circulation: the Counterfeits were certainly of very little intrinſic value, and frequently not made of Copper: yet the Committee were apprehenſive that the perfection of theſe new Copper Coins would have the effect of driving inſtantly the old Copper Coins of every deſcription

[a] Twopenny Pieces 6,019l 15s 8d.
Penny Pieces 183,177l 18s 6d.
Halfpence 88,506l 18s 4d.
Farthings 4,370l 13s 2d.

out

out of circulation, and would produce a ſudden deficiency of Copper Coins, which Mr. Boulton, with all his art and machinery, could not ſupply with ſufficient expedition, and that there might in conſequence be a great confuſion among the lower ranks of people. To avoid this evil the Lords determined to begin by coining Twopenny and Penny Pieces, as they hoped thereby to contrive to keep the old Halfpence and Farthings ſtill in circulation, till they could provide a ſufficient quantity of Copper Coins of the lower denominations, to replace thoſe which were ſtill current: this meaſure had the effect of not driving the old Halfpence and Farthings wholly out of circulation at the moment they were iſſued; but Your Majeſty's ſubjects evidently ſhewed a diſpoſition to get rid of the old Copper Coins of moſt deſcriptions as faſt as poſſible, and called aloud, particularly from the Northern parts of the kingdom, for a ſupply of Halfpence and Farthings made on the principle adopted by the Lords of the Committee. The Committee for Coin proceeded to gratify them, by the advice they offered to Your Majeſty; and You were pleaſed to order that Halfpence and Farthings on the ſame principle ſhould be coined as faſt as poſſible: but the inferior Officers of the Mint contrived to raiſe objections, which ſuſpended the execution of this meaſure; and about that time the declining ſtate of my own health prevented me from giving further attention to this buſineſs. It is ſingular, that few of the new Copper Coins ever made their appearance, either in London or its neighbourhood, though to my knowledge great numbers were ſent thither: I am told, that the people were deſirous of retaining them in preference to the old Copper Coins, and even in preference to the defective Silver Coins;

and

and that they have them ſtill in their poſſeſſion: there cannot be a ſtronger proof of the eſtimation in which theſe Copper Coins were held by the people, even in thoſe parts where they were not found in common circulation. I have heard alſo that perſons, who from the nature of their trade and occupation were in poſſeſſion of great quantities of the old Copper Coins, diſcouraged, from intereſted motives, the circulation of theſe new ones; and when a ſuſpenſion was put to any further iſſue, in the manner before ſtated, they were enabled to effect their purpoſes.

The Lords of the Committee were ſubject to another difficulty. Though they had taken the price of the Copper of which theſe Coins were made, on what they thought a fair and ſufficient average, the price of this metal roſe upon them beyond their expectation, ſo that it became even higher than the price at which they had eſtimated it in the Copper Coins. This difficulty, however, would have been eaſily removed; the price of the metal in Copper Coins is of leſs importance than in thoſe made of Silver, and much leſs than in thoſe made of Gold: it is I believe a certain maxim, that all articles, which come into general uſe and demand, and for which the demand is occaſionally very uncertain, vary in their price more than any others, eſpecially where the quantity produced does not depend ſingly on the induſtry or will of man, as is the caſe of all metals: thus Copper varies in its price more than Silver, and Silver varies in its price more than Gold, as has been ſhewn already. The value of the Copper put into theſe Coins is alſo a conſideration of leſs importance in another view; the price of the workmanſhip in making Copper Coins,

Coins, compared with the value of the metal, is at leaſt ten times more than in making Silver Coins, and forty-three times more than in making Gold Coins. On all theſe accounts the value of the metal in making theſe Copper Coins ſhould be eſtimated on a much larger and more liberal average than in making the Silver Coins, where the average ſhould be taken with as much care and accuracy as poſſible: the Lords of the Committee erred therefore in this reſpect, but it was an error eaſy to be corrected.

I ſhould not omit to obſerve, that it was the wiſh of the Lords of the Committee to have made the new Copper Coins ſerve the purpoſes of weights, as this circumſtance would have been of great convenience to all Your Majeſty's ſubjects concerned in the retail trade. They ſo far attained their object, that each Twopenny Piece, made and iſſued in conſequence of their advice, was of the weight of two ounces avoirdupoiſe, and each Penny Piece of the weight of one ounce Avoirdupoiſe. But from the riſe in the price of Copper, as before ſtated, it was found impoſſible to conform to this principle in the Halfpence and Farthings, which were afterwards iſſued.

It is certain, that the quantity of counterfeit Copper Coins greatly exceeds the quantity of legal Copper Coins: the Officers of the Mint were of opinion, in the year 1787, that even then they exceeded the legal Copper Coins. Their number has certainly increaſed ever ſince; the quantity of theſe counterfeit Copper Coins is in truth beyond calculation; and yet I am told that many principal manufactu-

rers

rers are obliged to make Coins or Tokens of this deſcription, to enable them to pay their workmen, and for the convenience of the poor employed by them: ſo great is the demand for good Copper Coins in almoſt every part of the kingdom.

Though I was originally of opinion, for the reaſon already ſtated, that it was adviſable to begin by making Copper Coins of a large denomination, yet I have always thought, and ſtill think, that it is of the greateſt ſervice to the indigent claſſes of Your Majeſty's ſubjects, that Copper Coins of the loweſt denominations ſhould be made and iſſued in great plenty. In all the Eaſtern parts of the world, particularly in China *, where labour is paid for at a low rate, and the neceſſaries of life are very cheap, the Coins are made of very low denominations: the price of labour and of proviſions is certainly the cauſe that theſe Coins are made of ſo little value; but I am not certain that the ſmallneſs of Coins does not ſo far operate on the price of the neceſſaries of life, as in ſome degree to reduce it: ſmall Coins certainly enable the poor man to purchaſe and pay for a ſmaller quantity of any article, when he is not in want of a greater; they contribute alſo to his comfort and convenience, by enabling him to divide his

* It is extraordinary, that though great quantities of Silver are annually ſent from this country and other parts of Europe to China, and other great quantities are annually ſent from Acapulco to China and its neighbourhood, the price of Silver ſhould be ſo high in that kingdom, and their Coins continue of ſuch ſmall denominations. It is in my judgment a certain proof of what has been aſſerted by all writers, and particularly by later ones, of the very great population of that kingdom.

little property into minute portions; and thereby promote economy where it was moſt wanted.

I have now concluded all I had to offer on the principles of Coinage, and on the application of theſe principles to the Coins of different metals, which circulate in Your Majeſty's kingdom. I may have been diffuſe, and conſequently tedious; but in treating of a ſubject ſo little underſtood I was deſirous to omit no fact or argument, which might enable Your Majeſty to judge of the plan propoſed by me; and which might enable others to make corrections in this plan; or to propoſe a better, more deſerving of Your Majeſty's approbation, and more acceptable to Your people. With the ſame view, I have endeavoured to place the ſubject in a variety of lights; in truth, in all the lights that have occurred to me, and more perhaps than are neceſſary. I ſhall be perfectly ſatisfied, if, in conſequence of my labours, Your ſubjects ſhall receive the relief of which they have long been ſo much in want, and which they have ſufficiently ſhewn that they expect to obtain from Your Majeſty's love of Your people, and from the attention of Your Government. There is indeed one merit, which recommends the plan I have propoſed;—that it may eaſily be executed, and that it tends leſs than any other to diſturb what is now in exiſtence, and to which Your people have long been accuſtomed. Men of ſcience and talents muſt certainly be employed in the conduct of a buſineſs of this nature: in the reign of King William III. Mr. Locke, Mr. Newton, afterwards Sir Iſaac Newton, and Dr. Halley, perſons of great eminence, were on this account brought into the ſervice of the public. I allow that it is natural to heſitate, upon the firſt view of a buſineſs, which

which is in its various parts ſo complicated, and which concerns the intereſts of every man: but I am perſuaded, that, with the aid of men of adequate talents, it will be found more difficult in proſpect than in execution.

Before I conclude what relates to the principles of Coinage, and the fabrication of Coins, it is proper that I ſhould offer ſome conſiderations on the ſtate of Your Majeſty's Mint, which is as it were the manufactory where Coins are made; for no new Coinage on a large ſcale can be undertaken, till ſome alteration and reform has been made in it. The ſubſiſting regulations for receiving Bullion of any deſcription into Your Majeſty's Mint; for transferring it from one department to another; for preſerving it in ſecurity while it continues in the cuſtody of the different Officers; and laſtly, for returning it in the ſhape of Coins to thoſe to whom it belongs, are wiſe, and require no alteration: theſe regulations are very ancient, and probably of Norman origin. Some old ſtatutes made in the reigns of Edward III[a]. and Henry V. refer to theſe regulations; but they do not appear to have introduced any new ones; they contain only ſtrict injunctions for carrying into execution ſuch as had long ſubſiſted.

I have already obſerved, that the art of aſſaying, as practiſed by Mr. Alchorne, and I believe by his ſucceſſors, at Your Majeſty's Mint, is in a ſtate of perfection; probably more ſo than in moſt of the foreign Mints; that the nature

[a] See 25th Edw. III. Stat. 5. ch. 10. and alſo 9th Henry V. Stat. 3. ch. 3. ſec. 6.

of the alloy put into the Coins is ſuch, that, all circumſtances conſidered, it ought not to be changed; and that the ſeveral denominations of Coins, of whatever metal they are made, are iſſued from Your Majeſty's Mint of due weight; even more correctly than the preſent Mint indenture requires. What I have thus ſaid of the ſecurity of the precious metals, while they continue under the cuſtody of Your Majeſty's Officers; and of the great accuracy obſerved in converting them into Coins, is certainly no ſlight commendation: but the Mint is defective in other reſpects; I mean in the lower departments, that is, in the operative or mechanical parts: it is in want of that new and improved machinery, which has of late years been invented, and from which every branch of Britiſh manufactures has profited in ſo great a degree. Coins were originally ſtruck with a hammer only: in the reigns of Queen Elizabeth and Charles I. Coins were occaſionally made by what is now called the Mill and Screw; but this inſtrument was never introduced into conſtant practice at the Engliſh Mint, till the year 1662, when letters and grainings were firſt placed on the edges of the Coins. From that time to the preſent this mode of making Coins has continued to be practiſed in Your Majeſty's Mint; but the new machinery now employed in the manufactory of every ſort of metal, in which the mechanics of this country far ſurpaſs thoſe of any other, has not in general been admitted into Your Majeſty's Mint. It is an acknowledged principle, that machines, which act with a given force, can work with more truth and accuracy than the arm of man, the force of which neceſſarily varies occaſionally, from ſeveral cauſes: another practice has been invented; that of ſtriking Coins in a ſteel collar, ſo as to make

them

them perfectly round, and all preciſely of the ſame diameter; an improvement, which certainly contributes at leaſt to the beauty of the Coin: new modes of putting what is called the graining on the edges of Coins have alſo been invented; which at the ſame time that they protect the Coins from being filed, equally with the preſent mode, do not occaſion thoſe rough points or edges, which expoſe them to wear by abraſion or friction. For theſe, and many other valuable inventions, the public are indebted to the ingenuity of Mr. Boulton, of Soho, near Birmingham. It is ſingular, that though the manufacturers of England have greatly profited by theſe inventions, the Officers of Your Majeſty's Mint have never, or at leaſt not ſufficiently, availed themſelves of them: the Mints of foreign countries are in ſearch of them; and their governments in more than one inſtance have employed Mr. Boulton, in erecting Mints on his new principles; and Parliament has authoriſed the ſame. One Government (I need not name it) has, as I have learned from good authority, ſent perſons at different times, under pretence of treating with Mr. Boulton, in the courſe of his buſineſs, to obtain by artifice the knowledge of his inventions, for the benefit of the countries under its ſway.

But it is not only in the faſhion and beauty of the Coins, that Your Majeſty's Mint would profit by adopting theſe new inventions; there are other conſiderations, which ſtrongly recommend their [a]introduction into Your Majeſty's Mint:

[a] In introducing this new machinery, eminent engineers and artiſts ſhould be conſulted; ſo as to be very careful not to loſe in accuracy what may be gained in beauty, expedition, and cheapneſs.

the Coins of the realm will thereby be made with much more expedition, and with leſs charge to the public. By an account which I have ſeen, Mr. Boulton can coin at leaſt ten times as many pieces, in a given time, as can be coined at the Mint by the method now practiſed; and though, as I have already obſerved, the ſecurity of the precious metals, while in the cuſtody of the Officers of the Mint, is at preſent very great, it will certainly be increaſed when fewer perſons are employed in the operation. If a new Silver Coinage ſhould be undertaken, expedition[a] is certainly of great importance; and I could wiſh that the whole might be performed at one Mint in the Tower, rather than at ſeveral Mints in different parts of the kingdom, as practiſed in the reign of King William, and at other preceding periods: it is certainly more eaſy to find artiſts of proper talents and abilities, ſufficient in number to occupy the reſpective departments in one Mint, than in many.

The charges of Your Majeſty's Mint ought certainly to be reduced: the accounts I have already ſtated, though little elſe than Gold has for many years been coined, ſufficiently enforce the propriety of ſome reduction. This charge may eaſily be di-

[a] By an account I have ſeen, it will be eaſy to coin 60,000,000 of Shillings, or 3,000,000l Sterling in a year, with the aid of the improved machinery, or even double, if the nature of the buſineſs ſhould require it. According to the eſtimate I have made, it will not be proper to begin to replace the preſent defective Silver Coins by new and perfect Silver Coins, unleſs a quantity, equal in value to 3,000,000l Sterling, can be at once iſſued, for the uſe of Great Britain, and 1,000,000l for Ireland. For when Coins, particularly ſuch as are beautiful, are firſt ſent into circulation, the people are very much diſpoſed to hoard them.

miniſhed, if the new machinery is employed: in truth, a new Mint indenture, in which all theſe charges are ſpecified and aſcertained, will be abſolutely neceſſary. I have no doubt, that on this occaſion Your Majeſty will treat the preſent Officers of Your Mint with the juſtice and liberality to which they are entitled. Conſiderable fortunes have occaſionally been made by the Maſters of Your Majeſty's Mint in former times: one great man, who was an honour not only to his country, but to human nature; for the powers of the human underſtanding were never exerted by any one with ſo much energy and perſpicuity, or carried to ſuch an amazing extent, on ſubjects that almoſt ſurpaſs human comprehenſion—this great man being for many years at the head of the Mint, derived an ample fortune from this ſource, to which he was fully entitled. By repreſentations and reports he frequently appriſed the Officers of Your Majeſty's Treaſury of defects, which he obſerved in the Coins, and of frauds committed by introducing foreign Coins into circulation at improper valuations. I ſay nothing either of any of his predeceſſors, or of thoſe who have ſucceeded him: it is not indeed neceſſary; for Your Majeſty, by a wiſe regulation eſtabliſhed in 1799, has prevented any future exceſs in the profits ariſing from the office of Maſter of Your Mint, by converting theſe profits into a fixed ſalary, not more than an adequate reward for the diſcharge of the duties of this office, if properly executed. The profits of the inferior Officers of Your Majeſty's Mint are a proper ſubject of conſideration for the Commiſſioners of Your Majeſty's Treaſury, who, as well as Parliament, have a right to call for ſuch accounts as may afford them ſufficient information. I have in my poſſeſſion ſome papers and accounts, derived

rived from a good ſource, which I ſhall be ready to furniſh, if it ſhall be thought neceſſary: the very mode of paying theſe inferior Officers is not, in my judgment, for perſons of that deſcription, in all reſpects proper. They ſometimes gain extravagant profits; at other times they have no employment, and do not derive from their buſineſs adequate means of ſubſiſtence. From the nature of the buſineſs they have not conſtant employment, nor can they command it, as in other occupations. Such a ſituation tends to introduce habits of occaſional idleneſs, and may ultimately lead to diſcontent or diſſipation. The Mint of every country ſhould be a ſort of College compoſed of men of ſcience in the ſuperior departments; and in the inferior, of eminent artiſts and artiſans in their reſpective branches of buſineſs.

I am now arrived at the laſt point, that has immediate reference to the Coins of the realm, of which I mean to treat. I have ſaid, in an early part of this Letter, that if Your Majeſty ſhould be pleaſed to approve of the principles of Coinage therein propoſed, and ſhall order Your Coins to be made in conformity thereto, it will be the duty of Your Majeſty's Servants to recommend to You ſuch regulations as ſhall remedy, as far as poſſible, the fourth and laſt imperfection, to which Coins are expoſed; that is, the evils reſulting from the wear or diminution of Coins made of either of the precious metals, by abraſion or friction, and ſometimes by other cauſes. Theſe evils affect the Gold Coins in a greater degree than thoſe made of Silver, becauſe a grain of Gold is above fifteen times the value of a grain of Silver: a ſmaller defect therefore in theſe Gold Coins is of more importance than in thoſe made of Silver;

Silver; and any fraud in this reſpect can be practiſed with more facility and profit.

In proof of this obſervation, I will lay before Your Majeſty two caſes, which I have taken from a Report of Sir Iſaac Newton in 1717. In the laſt year of the reign of King William, many Louis d'Ors of France, each of which, compared with our Coins, was then worth but 17s 0½d, were brought into England, and were current here for 17s 6d. Sir Iſaac Newton, then Maſter of the Mint, repreſented this circumſtance to the Lords of the Treaſury, and a Proclamation iſſued, ordering that theſe Louis d'Ors ſhould be current only at 17s; and thereupon they were immediately brought to the Mint as Bullion; and no leſs a ſum than 1,400,000l was coined out of the Bullion they produced. In this caſe the advantage of 5½d per Louis d'Or brought ſo great a number of them into the kingdom, and the loſs of ¾d per Louis d'Or at moſt drove them out of circulation. At another time, Moidores paſſed in the Weſtern parts of England for 28s, and the country was full of them: the Officers of the Mint repreſented to the Lords of the Treaſury, that theſe Moidores were intrinſically worth only 27s 7d; and their Lordſhips ordered that the public receivers ſhould take them only for 27s 6d. The gentlemen of the country immediately complained, that theſe Moidores had all diſappeared; ſo that a profit of 5d per Moidore brought them into the kingdom, and a loſs of 1d per Moidore ſent them all out again. From theſe two caſes it is evident, that they who traffic in Coins, and who are concerned either in remitting Money, or in melting the Coins, will trade on ſo very ſmall a profit, that it is very difficult to prevent

prevent the evils ariſing from this ſort of traffic entirely: all that can be done is to diminiſh the temptation as much as poſſible.

In a former part of this Letter I ſtated, that in very ancient times Coins paſſed by weight; and that when they became deficient, whatever the cauſe might be, a compenſation was made for ſuch defect, in two different ways; the one called *Compenſatio ad Penſum*, the other *Compenſatio ad Scalam*: theſe two modes of making compenſations I need not again deſcribe: they continued in practice nearly as long as the Pound in weight and the Pound in tale were the ſame, and as long as Coins paſſed according to the weight or value of the Silver which their names implied. It has already been ſtated, that Edward I. in the 28th year of his reign, firſt debaſed our Silver Coins. I ſuppoſe, that for ſome time before this debaſement the Silver Coins, which were then current, had become very deficient in weight; for I find in the Statute De Moneta, it was ordained, "that he who receives or pays "Money, ſhall receive and pay the ſame by weight; and that "the Viewer or Warden of the Mint ſhall weigh the ſame; "and in caſe it be new Money, and the Pound weighs not "twenty Shillings; and in caſe of Money that is much uſed, if "the Pound wants Sixpence, it ſhall be re-delivered to him who "brought the ſame; but if it ſhall want more, it ſhall be done "as of the reſt;" that is, recoined. In this Statute a difference is firſt made between old and new Coins, and the old Coins are allowed to paſs, though diminiſhed by reaſonable wear, provided this diminution does not exceed Sixpence, or the fortieth part of the Pound in tale, which was then the ſame

Stat. de Moneta Magnum, 20th Edw. I. Stat. 4.

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as a Pound in weight: at that time very few Gold Coins had been made at the Engliſh Mint, and conſequently there were very few in circulation: this Statute, therefore, evidently relates only to the Silver Coins.

In the 5th year of the reign of Richard II. complaint was made by the Officers of the Mint, that Gold as well as Silver Money was clipped and exported; and theſe Officers being called before the Parliament, and aſked their advice, anſwered ſeverally, that there was no other remedy, but that all Money ſhould be of one weight, and that ſuch as is not of due weight be bought according to its value, and that Gold ſhould paſs only by weight. I do not find that any ſuch order was then given. See Rolls of Parliament, 5th Richard II.

Several years afterwards, in the 9th Henry V. a Statute was paſſed, which takes no notice of the Silver Coins, but eſtabliſhes the following rule with reſpect to the Gold Coins; "that none of the King's liege people ſhall receive any Mo-"ney of Engliſh Gold in payment, but by the King's weight "thereupon ordained;" and having obſerved, that many of the Gold Coins at that time current were not of one weight or good allay, it orders them to be recoined. Before this time the Silver Coins had been frequently debaſed, and the Pound in tale differed conſiderably from the Pound in weight. By the omiſſion therefore of any mention of the Silver Coins in this Statute it may be inferred, that the practice of weighing Silver Coins began at that time to be diſcontinued.

No further regulation was made with reſpect to the weigh-

ing of any of the Coins of the realm, till the 19th of
19th Hen. VII. cap. 5. Henry VII. In a Statute of that year it is ordained, " that " the Gold Coin, if whole and of weight, ſhould be current: " but that all manner of Groats, Half Groats, Pence of 2d, " being Silver, as well Engliſh Coin as Coin of other lands, " clipped, miniſhed, or otherwiſe impaired, *except reaſonable* " *wearing*, ſhall not go, nor be in any wiſe current for pay- " ment within this realm, but utterly to be refuſed and for- " ſaken in payment from henceforth." In this Statute, the undefined term of *reaſonable wearing* appears to have been firſt introduced into the laws of this kingdom: and this regulation of reaſonable wearing extended only to Silver Coins; and even of theſe only to the Groats, Half Groats, and Two-penny Pieces, and not to any Silver Coins of a lower denomination: the Silver Pence were to be current without any manner of refuſal or contradiction, provided they were Silver, and had the print of the King's Coin, except only certain Pence having the print of a ſpear or mullet, which were to paſs only for a Halfpenny. By the ſame Statute, " the Mayor, " Sheriff, Bailiff, Conſtable, or other chief Officer or Governor " of any town or place where payment ſhall be refuſed, con- " trary to the rules eſtabliſhed in this Statute, ſhall enforce " ſuch payment:" ſo that theſe Magiſtrates became the judges of what was reaſonable wearing; and it reſults from thence, that the true ſtandard weight of theſe Coins would become as precarious and uncertain as the opinions of theſe Magiſtrates. By the Statute before mentioned, to prevent clipping it was ordered, " that every Piece of Silver Coin " ſhould have a circle about the outer part thereof, and every " Piece of Gold Coin ſhould have the whole ſcripture about

" every

" every Piece of the ſaid Coin, without lacking any part " thereof, to the intent that his Majeſty's ſubjects may here- " after have perfect knowledge by the ſaid circle or ſcripture " when the Coins were clipped or impaired." It is probable, that ſuch confidence was placed in this new device or manner of coining, that no evil was apprehended from clipping in future.

On the 12th day of October, in the 29th year of the reign of Queen Elizabeth, a proclamation was iſſued, which firſt allowed Gold Coins to be current, though deficient by reaſonable wearing; and there is a table at the end of this proclamation, which ſtates the *abatement*, as it is there called, in the weight of every Piece of Gold Coin reſpectively, below which they ſhould not be current, or legal tender; in this proclamation, what is meant by reaſonable wear is firſt defined, but only as it relates to the Gold Coins. In the 10th year of James I. another proclamation, and again in the 16th year of that Prince's reign a further proclamation, and laſtly, in the 3d year of Charles I. ſtill another proclamation was iſſued to the ſame effect: in all which proclamations there were clauſes regulating the abatement or deficiency by wearing, below which any Piece of Gold Coin was no longer to be current, or legal tender.

In the 14th year of Charles II. that is the year 1662, the uſe of the mill and ſcrew was finally eſtabliſhed in the Mint of this kingdom, as has been before ſtated, and graining, by means of this inſtrument, was firſt placed on the edges of all our Coins; and there is reaſon to believe, that ſuch confidence

was then placed in this new device, that no evil was thenceforth apprehended from the clipping and wearing of our Coins[a].

In the 9th and 11th years of William III. a clauſe was inſerted in a Statute then paſſed, which authoriſed the cutting any Silver Monies, which ſhall be diminiſhed otherwiſe than by reaſonable wearing[b]; but leaves the point, in diſputed caſes, to be determined by the chief magiſtrate of the city or diſtrict. It ſays nothing of the weight of the Gold Coins.

Your Majeſty, by Your royal proclamation of the 12th of April, in the 16th year of Your reign, ordered the Gold Coins to be current, though diminiſhed by reaſonable wearing; and this, as well as another proclamation afterwards iſſued, defined what the abatement or deficiency for reaſonable wearing ſhould be, that is to ſay, the Guinea might be deficient 1.4382 of a grain, that is, it muſt not weigh leſs than 5 dwts. 8 grs.; the Half Guinea might be deficient .7191 of a grain, that is, it muſt not weigh leſs than 2 dwts. 16 grs.; the Quarter Guinea

[a] Mr. Lowndes, in his Treatiſe on Coins, aſſerts, that the practice of clipping had then never been exerciſed on the milled Money, and he thought it never could, "becauſe of its thickneſs and edging, though no further proviſion ſhould be made againſt the ſame by law." We have learnt ſince Mr. Lowndes wrote this Treatiſe, that milled Money, made either of Gold or Silver, can be diminiſhed by ſome art or other, with great facility and expedition. I have read ſomewhere, that theſe arts began to be practiſed about the end of the reign of King William.

[b] This Statute does not define what is to be underſtood by reaſonable wearing.

might

might be deficient .3595 of a grain, that is, it muſt not weigh leſs than 1 dwt. 8 grs. And Statute 14. of Your Majeſty, ch. 70. ſec. 7. enforces Your Majeſty's authority in iſſuing proclamations for regulating the weight of Your Gold Coins, and appoints the Mayors, Bailiffs, or chief Officers of corporate Towns, and Your Majeſty's Juſtices of the Peace in other parts of the kingdom, to be judges in any diſputable caſe, whether Gold Coin of any denomination ought to paſs in payment, and directs them and all other perſons to cut, break, or deface every Piece of Gold Coin that ſhall be tendered to them, which is ſo deficient in weight, that according to Your Majeſty's proclamation it ſhould no longer be current.

There were certainly in very ancient times great difficulties in the exchange of Gold and Silver Coins, ariſing, as I believe, not from any uncertainty in the relative values of Gold and Silver, but from the ſmall number of Gold Coins then in circulation, and the imperfect knowledge which the people had of them: to remedy this evil, ſome of Your royal Predeceſſors expreſsly eſtabliſhed an office, and the perſon who held it was called the King's Exchanger*. This Officer appears not only to have exchanged the Coins of one metal made at the royal Mint for thoſe made of another; but as the exportation of all the Coins of the realm was prohibited, he furniſhed perſons going out of the kingdom with foreign Coins, in exchange for Engliſh Coins; and he furniſhed mer-

* See Rymer's Fœdera, tom. v. p. 416. De curſu Monetæ auri proclamando.—tom. iv. p. 500. "Quod marinarii et piſcatores &c."—and tom. 18. p. 896. 3d Charles I.—and Stat. 9. Edw. III. ch. 7.

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chants ſtrangers coming into the kingdom with the Engliſh Coins, in exchange for foreign Coins: this Officer had his deputies in many of the out-ports and principal cities of the kingdom; a conſiderable profit was made by this practice, of which the King is ſaid to have had his ſhare. When Gold Coins were exchanged for Silver Coins, a Silver Penny of that time was taken for the exchange of each Gold Noble, being the largeſt Gold Coin then in currency, and in like proportion for ſmaller Gold Coins: and when Silver Coins were exchanged for Gold Coins, a Silver Penny of that time was given for each Noble received in exchange for them, and in like proportion for ſmaller Coins; and the exchanger is ſaid to have gained thereby 1 ¼ per cent. When this Officer exchanged foreign Coins for Engliſh, or Engliſh for foreign, the exchange was regulated by a table, hung up in each of his offices. The laſt perſon that was appointed to the office of King's Exchanger, was the Earl of Holland, in the 3d year of Charles I. as mentioned before. The appointment of a perſon of ſo high rank, who was at the ſame time a favourite of his royal Maſter, is a deciſive proof, that the office was of conſiderable profit, as well as of importance. I have thought it right to ſtate the nature of this office, as it exiſted in ancient times, that Your Majeſty might be fully informed of the practice which formerly prevailed in this reſpect, but certainly not as an example to be followed at preſent.

I have thus laid before Your Majeſty all I have been able to collect in the Statutes and Records of Your kingdom, of the various regulations which have been made from time to time, according to which the Coins of the realm were to continue

tinue in currency, and be legal tender. It is certain that Coins have always been diminiſhed either by wearing or fraudulent practices: there have at all times been laws in this kingdom for puniſhing thoſe who have been guilty of frauds committed in impairing or diminiſhing the Coins of the realm: indeed, laws of this deſcription have been made in all ages, and all countries; for the crimes againſt which they are directed have ever been conſidered as of a very heinous nature: theſe laws contribute in ſome degree to diminiſh the evil to which Coins are expoſed; but they are far from being ſufficiently efficacious to prevent it. From what I have ſtated, it appears I think clearly, that nothing can prevent this evil, whether ariſing from wearing or fraud, but the practice of weighing Coins; ſo that when they have loſt a certain proportion of their weight, from whatever cauſe it may ariſe, they may no longer be legal tender: the rule eſtabliſhed with reſpect to the Gold Coins, in Your royal proclamation of the 12th day of April, 1776, was adopted after much conſideration: I thought it, at the time when it was made, the beſt that could be deviſed, and I continue ſtill to be of the ſame opinion: I know of no objection to it, but that it brings a great charge on the public in recoining theſe deficient Coins, when they are returned to Your Majeſty's Mint: the amount of this charge for the laſt 27 years, that is, from the time when the general Recoinage of the Gold Coin was completed, will be ſeen in the accounts ſtated in a preceding part of this Letter: this charge has certainly been much greater than was expected. It may indeed be ſaid, that the people will always be negligent in weighing Coins: to this objection it appears to me a ſufficient anſwer, that if they are negligent, it is their own fault, and they

they ought to ſuffer for it: it is certain, that in the year 1774, and for many years afterwards, the practice of weighing Coins prevailed univerſally, and without any complaint; but of late years, I am afraid, it has been very much diſcontinued: I underſtand, however, that the Officers of the Bank of England continue to diſcharge their duty, by weighing all the Gold Coins that are brought to them; but that private Bankers, and even thoſe reſident in London, are very negligent in this reſpect: they are highly to blame; for they diſobey Your Majeſty's orders, enforced by an Act of Parliament[a]. I fear alſo, that Government may in ſome meaſure have contributed to this neglect, by omitting to republiſh Your Majeſty's proclamation, requiring the weighing of Coins, which ſhould be done from time to time, in order to call the attention of Your Majeſty's ſubjects to the regulations therein eſtabliſhed: the receivers of the public revenue ſhould receive the ſtrongeſt injunctions never to neglect what is thus required of them in the diſcharge of their duty. I remember, that when this ſubject was under conſideration, at the

[a] In the year 1774, when the public were alarmed at the great deficiency of the Gold Coin, the following regulations were eſtabliſhed; "that all "Guineas coined in the laſt two years, that is, from the 1ſt of January, 1772, "ſhall not want more than a grain and half in weight: that all Guineas "coined in the twelve preceding years, that is, from the 12th of October, "1760, ſhall not want more than three grains; and that all Guineas coined "in the 98 preceding years, that is, from the year 1662, ſhall not want more "than ſix grains." Theſe regulations, though much more complicated and difficult in execution than that which is at preſent in force under the proclamation of the 12th day of April, 1776, were, at the time they were made, much approved, and generally acted upon.

time

time of the general Recoinage of the Gold Coin, another method of weighing Coins was propoſed, which I will ſtate merely for conſideration. With a view of keeping the new Gold Coins for a greater number of years in currency, and of preventing their being returned too frequently to the Mint, it was propoſed, that the deficient Gold Coins ſhould continue in currency, and be legal tender, on condition that Twopence ſhould be allowed for every grain ſo deficient; for Twopence is nearly the value of a grain of Gold. By this rule the Guineas might be weighed in numbers, and even in bags, as is now practiſed in ſome foreign countries with the Silver Coins, of which their currency principally conſiſts; and, as I am informed, with Gold Ducats in Holland: and it was ſuggeſted, that a table ſhould be conſtructed to ſhew what the weight ought to be of any number of Gold Coins, from one to a thouſand, which might be carried in every man's pocket-book. This method is certainly conformable to the ancient practice of weighing Silver Coins, called *Compenſatio ad Penſum*, as deſcribed in a former part of this Letter; and it would certainly have the effect of preventing, in a great degree, the exportation of heavy Gold Coins, or the diminution of them by any art whatſoever; for no profit could then be derived from theſe practices: it was thought neceſſary, however, by thoſe who approved this ſyſtem of weighing, that there ſhould be a minimum in the weight of ſingle Pieces, below which they ſhould not be allowed to be current, but be defaced, and returned to the Mint. This method would certainly ſave ſome part of the charge, which is incurred by recoining the deficient Gold Coins.

With reſpect to the new Silver Coins propoſed to be iſſued for the uſe of Your Majeſty's ſubjects, it is not neceſſary that ſo ſtrict a rule ſhould be obſerved as is required with reſpect to the Gold Coins; for the value of Silver is at the leaſt fifteen times leſs than that of Gold: it would alſo be very difficult to enforce the practice of weighing the Silver Coins, in the ſame degree as that of weighing the Gold Coins; for the Silver Coins are chiefly employed in the retail trade, and by the inferior and leaſt informed claſſes of Your Majeſty's ſubjects: and yet even in theſe new Silver Coins there muſt be a minimum, below which they ſhould not be allowed to be current; for they will otherwiſe in a ſhort time be reduced to the very defective ſtate of our preſent Silver currency. I am of opinion, that the larger Silver Coins may be allowed to be current, though each of them ſhould be deficient in weight one pennyweight; and the ſmaller Silver Coins might be continued in currency, though each of them ſhould be deficient half a pennyweight, or 12 grains. This deficiency in weight of the Silver Coins will be nearly equal in value to the deficiency allowed in the Gold Coins by Your Majeſty's Proclamation of the 12th day of April, 1776.

I have now finiſhed all I have to offer on the remedies to be applied to the fourth and laſt imperfection to which Coins are expoſed; that is, the wearing or diminution of Coins made of either of the precious metals by abraſion or friction, and ſometimes by other cauſes.

I ſhould ſtop here, but there is a ſubject of ſo great importance, and ſo nearly connected with the Coins of Your Majeſty's

Majeſty's realm, that I ſhould not diſcharge my duty, if I left it wholly unnoticed; I mean what is now called Paper currency; which is carried to ſo great an extent, that it is become highly inconvenient to Your Majeſty's ſubjects, and may prove in its conſequences, if no remedy is applied, dangerous to the credit of the kingdom. It is certain, that the ſmaller Notes of the Bank of England, and thoſe iſſued by country Bankers, have ſupplanted the Gold Coins, uſurped their functions, and driven a great part of them out of circulation: in ſome parts of Great Britain, and eſpecially in the ſouthern parts of Ireland, ſmall Notes have been iſſued to ſupply the place of Silver Coins, of which there is certainly a great deficiency.

I will firſt obſerve, that if this practice is ſuffered to continue, as at preſent, without any limitation, there can be neither uſe nor advantage in converting Bullion of either of the precious metals into Coins, except ſo far as it may ſerve for the convenience of Your Majeſty's ſubjects in their moſt private concerns; that is, no greater quantity than many of the writers, who have of late ſpeculated on this ſubject, will allow to continue in currency: the Bullion, of which theſe Coins are made, had better be exported in its natural ſtate, like any other unmanufactured commodity, for the uſe of which the trade of the country has no occaſion. The Coins of Your Majeſty, when carried into foreign countries, will only be valued as Bullion; and the precious metals, whether exported in Coins or in Bullion, will equally ſerve the purpoſe of a commercial capital; and it is uſeleſs and abſurd to impoſe upon the public the expence of making Coins, merely for the purpoſe of ſending them out of the kingdom.

It has been a common artifice, practiſed by thoſe who have written on Paper currency, to confound Paper credit with Paper currency, and even the higher ſorts of Paper currency with the inferior ſorts, ſuch as immediately interfere with the uſe of the Coins of the realm. Paper credit is not only highly convenient and beneficial, but is even abſolutely neceſſary, in carrying on the trade of a great commercial kingdom. Paper currency is a very undefined term, as uſed by ſpeculative writers[a]. To find arguments in its ſupport, at leaſt to the extent to which it is at preſent carried, they have been obliged to connect it with Paper credit; ſo that the principles, on which the uſe of Paper credit is truly founded, may be brought in ſupport of a great emiſſion of Paper currency: I do not mean to ſay, that even the higher orders of Paper currency may not be very convenient, in carrying on many branches of the trade of a country ſo wealthy as Great Britain: the ſort of Paper currency to which I principally object, is that which interferes with the uſe of the Coins of the realm, more eſpecially in the payment of labourers and artificers, of the ſailor and ſoldier, and in the ſmaller branches of the retail trade of the kingdom.

Many words are not neceſſary to point out the evils to which Your Majeſty's ſubjects are expoſed, by the practice which now prevails, of iſſuing the lower ſort of Paper currency by country Bankers; the complaints on this head are

[a] Paper currency, ſtrictly ſpeaking, conſiſts only of Bills, or Notes payable or convertible into Caſh on demand by the perſon who iſſued the ſame, at the will of the holder. See Report of the Secret Committee of the Houſe of Lords in 1797, p. 249.

univerſal.

univerſal. The Notes of theſe country Bankers have credit only within a certain extent or diſtrict: if a traveller paſſes from one diſtrict to another, he muſt provide himſelf with the Notes of other Bankers, which have credit within the diſtrict on which he is entering; and an inconvenience to which travellers have hitherto been ſubject, in paſſing from one ſmall independent ſtate on the continent to another, is experienced by thoſe who travel through Your Majeſty's dominions, in paſſing from one diſtrict to another; ſo that the circulating medium of the different parts of Your Majeſty's dominions is various; an evil which I believe never exiſted before in one great united kingdom.

But I have not hitherto deſcribed the principal evils reſulting from this Paper currency. It was natural to ſuppoſe, that the precious metals, being no longer wanted in the ſame degree, for the purpoſe of being converted into Coins, the price of them would fall in the Britiſh market: on the contrary, for a conſiderable time, Bullion, both of Gold and Silver, has not been generally ſold, but at a price above the rate at which each of them is valued at Your Majeſty's Mint. It would not be proper for me at preſent to aſſign the probable cauſe of this apparent contradiction: In ſuch a ſtate of things, whatever may be the cauſe, no Bullion, either of Gold or Silver, will be brought to Your Majeſty's Mint to be coined; for it cannot be coined without a loſs to the perſon who brings it; and if it were converted into Coins, the moment they were iſſued they would be thrown into the melting pot, and reconverted into Bullion, becauſe it would be of more value in the ſhape of Bullion than in that of Coins. Till ſome remedy is applied

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to this evil, no new ſyſtem of Coinage can be adopted, with any reaſonable hope of ſucceſs.

When the ſituation of the Bank of England was under the conſideration of the two Houſes of Parliament, in the year 1797, it was my opinion, and that of many others, that the extent to which Paper currency had then been carried, was the firſt and principal, though not the ſole cauſe of the many difficulties, to which that corporate Body was then, and had of late years, from time to time, been expoſed, in ſupplying the Caſh occaſionally neceſſary for the commerce of the kingdom; for the Bank of England being at the head of all circulation, and the great repoſitory of unemployed Caſh, it neceſſarily happens, that whenever a ſudden increaſed ſupply of Coins becomes indiſpenſable, in conſequence of private failures or general diſcredit, by which Notes of the beforementioned deſcription are driven out of circulation, the Bank of England can alone furniſh the Coins which are required to make up this deficiency; and this corporate Body is thereby rendered reſponſible, not only for the value of its own Notes which it may iſſue, but, in a certain degree, for ſuch as may be iſſued by every private Banker in the kingdom, let the ſubſtance, credit, or diſcretion of ſuch a Banker be what it may: and if the price of both the precious metals in Bullion ſhould then be above that at which they are rated at the Mint, the Bank of England have it not in their power to ſupply this deficiency, but at a great loſs to its proprietors; and even if they were to ſubmit to this loſs, and iſſue new Coins in conſequence, it would only be, as has been already obſerved, in order that they might be thrown into the melting pot and converted into

into Bullion; ſo that till ſome remedy is applied to this evil, the Bank of England cannot, I think, return to the firſt principles of its inſtitution, under which it has ſo long and ſo greatly flouriſhed, and reaſſume, without any reſtriction, its payments in Caſh.

The ſtate of the Paper currency of this country, in its manner and extent taken together, is, I believe, without example in the hiſtory of mankind. The trade or profeſſion of banking has been exerciſed in all countries and in all ages: it exiſted in the republics of Greece[a], and in ancient Rome: there were in all theſe ſtates men who received Money as a depoſit, repaid it upon the drafts of thoſe who had entruſted them with it, and derived their profits from having this Money in their cuſtody; but it does not appear that they ever iſſued Notes, ſuch as are now called Paper currency.

In the middle ages the traffic in Money was exerciſed ſolely by the Jews; for Chriſtian men, as they were then called, from a miſtaken principle of religion, would not engage in it: but the Jews, who interpreted the law of Moſes in a different ſenſe from the Chriſtians, thought that they might lawfully carry it on with ſtrangers; and to them every man was a ſtranger, who was not a Jew. The wealth of theſe Jews, and the extortions and cruelties to which they were expoſed

[a] For what relates to the Grecian republics ſee the Voyage du Jeune Anacharſis, ch. 55. and the Grecian authors referred to therein. For what relates to the Roman republic ſee the words Præſcribere and Præſcriptio, in Geſner's Theſaurus, and the paſſages of Cicero and other authors referred to by him.

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on this account, contrary to the principles of humanity and juſtice, are well known to every one.

When commerce was firſt revived in the republics of Italy, Banking companies and private Bankers appeared in numbers, and carried on the trade in Money, and particularly in bills of exchange, to a very great extent. The origin and hiſtory of the Banks of Venice[a] and Genoa[b] need not be here inſerted: the wealth[c] of theſe Banks was very great; and many of the principal families in Italy derive their origin and their ample fortunes from perſons who once exerciſed the trade of banking. I cannot however diſcover from hiſtory, that either the Jews before mentioned, or the banking companies eſtabliſhed in Italy, or any of the private Bankers, ever iſſued what is now called Paper currency: it is certain at leaſt that they did not iſſue it in ſo great a degree as to drive the Coins out of the country; for it is aſſerted by hiſtorians of undoubted credit[d], that Italy at that time had drawn to itſelf almoſt the whole of the Gold of Europe.

After the example of what had been thus practiſed in Italy, Banking companies were gradually eſtabliſhed in many of the

[a] Called Banco del Giro.

[b] Called Banco de Sa° Giorgio.

[c] The wealth of the Bank of St. George at Genoa in proceſs of time became ſo great, that Machiavel ſays, there was reaſon to apprehend that it would become poſſeſſed of all the territories of that little ſtate. See Hiſtoria Fiorentina, lib. 8.

[d] See Hiſtoire de la Ligue de Cambray, liv. 5. Bodin, Réponſe à Maletroit, p. 49. and Hiſtoire de Louis XI. p. 708.

principal

principal cities of Europe, particularly at Hamburgh, Nuremberg, and Amſterdam: many of theſe corporate Banks iſſued Paper currency for the payment of foreign, and ſometimes inland, bills of exchange: but this privilege was always exerciſed under certain regulations and reſtrictions, ſanctioned by the governments of theſe places, for the ſecurity of the individuals who truſted them, and for the preſervation of public credit. It is ſingular, that it was found neceſſary to require, that the Notes of theſe Banks ſhould be accepted and employed excluſively in certain payments: but the privilege thus given never included any payments for which a ſingle piece of Coin, or, as I believe, any ſmall number of them, was ſufficient, ſo as to interfere with the retail trade of the country. The reaſons for eſtabliſhing this Paper currency have been fully explained in a former part of this Letter; and I have never heard that private Bankers iſſued Paper currency in any European country, to the extent in which it is now practiſed in the Britiſh dominions: if it has prevailed any where to exceſs, it has been in the united provinces of America.

The practice of iſſuing Paper currency within Your Majeſty's dominions firſt began in Scotland[a]: it was natural that this device ſhould originate in a country where there was a great want of Coins and capital: the evils it produced were felt ſo early as the year 1705, when a wiſe law was paſſed by the 5th Geo. III ch. 49.

[a] See ſome account of Mr. Law, and of the famous Project preſented by him to the Parliament of Scotland before the Union, and afterwards to the Regent of France, in Smith's Wealth of Nations, vol. i. p. 478. and the Hiſtoire du Syſteme.

Legiſlature, to reſtrain and regulate it within that part of the united kingdom. This law did not extend to England, for the evil at that time had not been felt here: Your Majeſty's Engliſh ſubjects however ſoon followed the example of their Northern brethren; and in the year 1775 the miſchiefs ariſing from the iſſue of ſmall Paper Notes were ſo ſeverely felt, that
15th Geo. III. ch. 51. a law was paſſed for regulating and reſtraining it: but it was afterwards found that this law did not remedy the evil, and a
17th Geo. III. ch. 30. ſecond law, ſtill more reſtrictive, was paſſed in 1777. Theſe meaſures were recommended to the Legiſlature by many of the moſt eminent of Your Majeſty's ſubjects and ſervants, to whoſe conſultations I, though unworthy, was at that time admitted: I remember too, that the reſtrictions then impoſed on this practice were conſidered by many as not ſufficient.—It was neceſſary however for a temporary purpoſe to enact a ſhort ſuſpenſion of theſe laws, in conſequence of the difficulties, to which public credit was expoſed, in the year 1797. At the ſame time, the Bank of England was diſcharged by the Legiſlature from the obligation of paying in Caſh: but, contrary to expectation, theſe ſuſpenſions have been continued to the preſent day; and from that period the Bank of England have iſſued Notes for ſmaller ſums, and to a greater extent, than they ever did before; and the number of private Bankers ſpread over every part of the country during that interval, has been more than doubled[a].

[a] It is ſtated in the ſummary of the Report of the Secret Committee of the Houſe of Lords in 1797, that the number of country Bankers, which had in 1792 amounted to 280, had in 1797 been reduced to 230. It appears by the liſt of country Bankers now publiſhed, that they amount to 517.

It

It is true that there have been a few memorable inſtances, I believe but three, in which, under the authority of Government, Paper currency has been iſſued to an extravagant extent, in a neighbouring country. The firſt was while France was governed by a Regency, in the beginning of the laſt century; the two others are of a later date: and each of theſe experiments has proved, in its reſults, diſhonourable to the Government, and diſaſtrous to the people. During the emiſſion of this Paper currency, the Coins of that country were in a very great degree driven out of circulation; but they re-appeared in conſiderable quantities, as ſoon as this Paper currency was diſcredited and annihilated. It ought always to be kept in remembrance, that this Paper currency was iſſued to ſo great an exceſs, either by corporate bodies, under the authority and protection of Government, or directly by the Government itſelf, and not on the ſole credit and reſponſibility of unauthoriſed individuals.

It is certain, that the principles, on which ſpeculative writers would juſtify the emiſſion of Paper currency in Your Majeſty's dominions, would leave it almoſt without limitation. The ableſt writer on this ſubject, Dr. Adam Smith, appears however ſenſible, that there muſt be ſome limitation. That adopted by him is, "that the whole Paper currency of every "kind, which can eaſily circulate in any country, never can "exceed the value of the Gold and Silver, of which it ſup- "plies the place; or which (the commerce being ſuppoſed "the ſame) would circulate there, if there was no Paper "Money." From this paſſage it may be inferred, that even in this writer's opinion Paper currency may be iſſued to ſo great an extent, as to take the place of all the Gold and Silver Vol. i. p. 448.

Coins neceſſary for carrying on the commerce of the kingdom, though it cannot *eaſily* be carried to a greater. But later writers pay no attention to the moderation, with which this maſter of political economy has ſupported his ſyſtem: and as they are not ſatisfied with the opinion thus given, we may preſume they mean, that Paper currency may be made to repreſent, according to the ſyſtem of the well known Mr. Law, even immoveable property; that is, a portion at leaſt of the lands and buildings of the kingdom, and as ſuch ſent into circulation. It ſeems to have been diſcovered of late years in this country, that, by a new ſort of alchemy, Coins of Gold and Silver, and almoſt every other ſort of property, may be converted into Paper; and that the precious metals had better be exported, to ſerve as capital, to foreign countries, where no ſuch diſcovery has yet been made. But this new ſort of fictitious capital, thus introduced within the kingdom, has contributed more than any other circumſtance to what is called *over-trading;* that is, raſh and inconſiderate ſpeculations, and what is almoſt a neceſſary conſequence, unworthy artifices to ſupport the credit of adventurers already ruined, as well as other evils, which tend to corrupt the morals of the trading part of the community, and to ſhake the credit on which not only Paper currency, but the internal commerce of the kingdom is founded. In every commercial ſyſtem, capital is certainly a neceſſary ingredient: but the proſperity of the Britiſh commerce depends not ſingly on capital; it depends ſtill more on the good faith, honour, and punctuality of Britiſh merchants, for which they are ſo juſtly celebrated.

Impreſſed as I am with the idea, that no ſyſtem of Coinage can

can be adopted with the proſpect of permanent advantage, till ſome regulations have been made for remedying the evils reſulting from the preſent ſtate of Paper currency, I have thought it right thus to lay before Your Majeſty ſome account of the exceſs to which it has of late been carried within Your kingdoms. I am unwilling to enter into further diſcuſſion on a queſtion ſo important, and ſo much agitated, becauſe it is not a fit ſubject for a Letter to Your Majeſty: nor will I treat of the remedies, which ought to be applied, becauſe theſe cannot be adminiſtered by the authority of Your Majeſty, as in the caſe of Coins; but they require the authority of the Two Houſes of Parliament, in conjunction with that of Your Majeſty. Certain I am, that in a kingdom like Great Britain, the moſt commercial, and for its extent the richeſt perhaps that ever exiſted in the world, every branch of circulating medium, of whatever it may conſiſt, ſhould be founded on ſolid, wiſe, and honeſt principles; and Coins in particular, which are the only true meaſure of property and inſtrument of commerce, and by which every other circulating medium muſt be regulated, ſhould be made and kept as perfect as the nature of the ſubject will admit.

I have now completed all I propoſed to write on the Coins of the realm, and I have treated ſhortly of Paper currency, ſo far as the Coins are affected by it. It is not improbable, that a treatiſe on a ſubject ſo abſtruſe and intricate, and conſequently ſo difficult to be underſtood, may be thrown aſide by many, and perhaps treated with levity: I remember that ſuch was the caſe when the Recoinage of the Gold Coin was undertaken, in the year 1774. It is poſſible, that even thoſe, who

who are not without a deſire of information, may object, that I have conſumed too much labour on points that are not worthy of it—*In tenui labor.* To theſe my anſwer is, that they are little aware of how much importance to the commerce of the country is a good monetary ſyſtem, founded on principles of wiſdom and juſtice; and how much Coins, particularly thoſe of a lower denomination, contribute to the convenience of the inferior orders of ſociety. I am not aſhamed, therefore, in my preſent ſtate of retirement, to have employed my leiſure hours on this ſubject; a ſubject which occupied the attention and talents of men of no leſs character than Sir William Petty and Mr. Locke.

To Your Majeſty, if any apology is neceſſary, I may venture to offer other pleas in my juſtification. When I was in Your Majeſty's ſervice in the year 1774, I firſt turned my thoughts to this ſubject, in diſcharge of my public duty. It was in obedience to Your Majeſty's commands that I reſumed the conſideration of it, after a long interval, when You appointed me in 1797 one of the members of the Committee of Privy Council for Coin: and though a ſhort time afterwards, by the preſſure of diſeaſe, all thoughts of this nature were blotted from my recollection, I have experienced at length, by the favour of Providence, a partial recovery; and awakened as it were from the ſleep of death, I have been induced a third time to take up the conſideration of this ſubject, by the repreſentations that were made to me by Your Majeſty's late miniſters, of the diſtreſſed ſtate of the ſouthern parts of Ireland, where almoſt all Coins have diſappeared, where a moſt degraded ſyſtem of Paper currency has taken

place

place even of the Silver Coins, and where this Paper currency, from the quantity that has been iſſued, has fallen in its value, and conſequently into a ſtate of diſcredit, very embarraſſing to the poorer ranks of Your Majeſty's ſubjects in thoſe parts.

The ſubject of which I have treated is of ſuch a nature, that it certainly has no charms to attract the attention of any man; it is therefore from a ſenſe of duty alone, that I have been induced to complete, under all my infirmities, what I had before projected. Conſcious of my own inability at all times to fathom a ſcience, on which men of the moſt eminent talents have diſagreed, I offer with the greateſt deference what I have thus written, to Your Majeſty's conſideration. Certain I am, that it will be treated by Your Majeſty with every proper degree of candour, and accepted with Your accuſtomed condeſcenſion.

There is one circumſtance, which more than any other will ſerve as an apology for my preſumption in addreſſing this Letter to Your Majeſty. In revolving the hiſtory of the Coins of the realm, I find, that the greateſt of Your royal Predeceſſors, thoſe moſt renowned for their wiſdom in the internal government of their dominions, as well as for their martial exploits, have been moſt diſtinguiſhed for the care of their Coins, and for making and keeping them perfect. There have been ſince the Conqueſt three great reformations of the Coins of the realm; that is to ſay, in the reigns of King Edward I.[a], of Queen Eliza-

[a] Henry V. called in and recoined the Gold Coin; but in his time Gold could make but a ſmall part of the currency of the kingdom.

beth,

beth, and of King William III. Hiſtorians ſpeak with the higheſt honour of Edward I. for calling in the clipped and counterfeit Money; for ſettling the ſtandard, and for the laws which he made to prevent the impairing and counterfeiting of the Coins in future: and theſe meaſures are always recited among the many memorable acts of ſpirited legiſlation and public juſtice, for which the reign of that Prince is ſo deſervedly celebrated, by the ableſt writers on Engliſh juriſprudence. He rendered theſe ſervices to his country, while he was engaged in the conqueſt of Wales, and in his attempt to ſubdue the kingdom of Scotland.

Queen Elizabeth perfected the plan of the reformation of the Coins of the realm, which her brother had begun to execute in the laſt year of his reign. She completed this reform with wiſdom and ſpirit, in the midſt of great internal convulſions, ariſing from unhappy differences in religious opinions, which were fomented by the intrigues and influence of the Papal authority, then powerful in this kingdom. She completed it in defiance of the repeated attacks of a Sovereign, the moſt powerful at that time in Europe, Philip II. King of Spain, who was ſuppoſed to aim at univerſal monarchy.

In the reign of King William III. that great reſtorer of the true principles of pure religion and rational liberty, the reformation of the Silver Coins was undertaken, while that Prince was engaged in a foreign war, for the defence of the independence and liberties of Europe. This war required a conſtant exportation of our treaſure: all the exchanges were on that account againſt this country; and they were rendered

ſtill

ſtill more unfavourable by the very impaired ſtate of our Silver Coins: public credit was at a very low ebb; great taxes were to be raiſed at the very moment when the medium, in which the people were required to pay them, was in an uncommon degree depreciated; and what was ſtill more diſcouraging, the only remedy, which could be applied to theſe evils, required that a conſiderable part of the Coins, which yet remained, ſhould at once be taken out of circulation. The work however was ſucceſsfully accompliſhed; and though ſome errors were committed, and an enormous expence incurred, the writers of all parties now concur in paying to this undertaking the juſt tribute of applauſe.

In a ſituation ſimilar in many reſpects to thoſe of Queen Elizabeth and King William, a reformation of Your Majeſty's Coins is now become neceſſary. Your Majeſty is engaged like them in a war for the defence of the liberties and independence of mankind: You have to contend with a neighbouring State, always the rival, and too frequently the enemy, of Great Britain; whoſe territories are now very much extended, though it may be doubted whether its real power is augmented in proportion: the navy of France, which in the reign of King William was nearly equal to that of this kingdom, is now greatly diminiſhed; and the fleets of Great Britain, even though ſometimes by accident of inferior force, are now victorious in every clime, and on every ocean where thoſe of the enemy venture to contend with them. The power of the enemy is however augmented by the influence, which he exerciſes over almoſt every government whoſe territories are unfortunately ſo ſituated as to be acceſſible to his arms. Queen

Elizabeth and King William had allies, who came forward to their effectual aſſiſtance. At preſent moſt of the continental Sovereigns ſeem appalled at the great power, which has unexpectedly ariſen againſt them; and, in a ſtate of diſunion among themſelves, appear to crouch to the influence and authority of the Perſon who wields this power, and aſſumes the right of preſcribing laws of war and peace to all who have any intercourſe with him. Your Majeſty contends alone, not only in defence of Your own dominions, but in ſupport of the independence of civilized nations in every part of the world. Fortunately for Your Majeſty, the commerce of this kingdom is now much more flouriſhing than in any preceding period: the ſtate of Your revenues is proſperous; and great as the burthen may be to which Your ſubjects are expoſed, they cheerfully bear it. At a period when a reformation of the Coins muſt be undertaken, it is alſo a moſt favourable circumſtance, that thoſe of one of the precious metals, which have for many years principally ſupported the circulation of the kingdom, are in a reaſonable ſtate of perfection. On the other hand, when King William undertook the reformation of the Silver Coins, the miniſters of that Prince had this advantage, that they acted upon known and long eſtabliſhed principles of Coinage; but Your Majeſty is under the neceſſity of adopting new ones, contrary to thoſe which have hitherto prevailed; and a new difficulty has occurred, ariſing from the quantity and variety of Paper currency, which has of late years been ſent into circulation in every part of the united kingdom: this fictitious ſort of Money has been carried to ſuch an exceſs, as to uſurp in a great degree all the functions of the real Coins: and unleſs proper remedies are applied,

plied, ſo as to remove both theſe obſtructions, it is not poſſible that any ſyſtem of Coinage can be carried into execution with ſucceſs, and with a proſpect of permanent duration.

In taking leave of Your Majeſty, as I muſt now do, it would be the higheſt gratification to my private feelings, were I to expreſs what long experience has taught me of Your Royal virtues: I could dwell with pleaſure both on the principles of public government, which have always actuated Your Majeſty's mind, and on thoſe private excellencies, by which You are no leſs diſtinguiſhed than by Your exalted ſituation. You have afforded a ſtriking example of ſteady attachment to the cauſe of religion and virtue, and of abhorrence of vice and immorality: but by no quality have You been more diſtinguiſhed, than by an uniform and affectionate ſolicitude for the happineſs of Your people; nor are Your people, Excellent Prince, inſenſible of the bleſſings, which they have derived from theſe virtues: their affection for the Perſon of their Sovereign, their attachment to his Government, and their anxiety for his welfare, have manifeſted themſelves in a ſignal manner, on the moſt trying occaſions: to ſuch a King, a Treatiſe, which profeſſes to confer a benefit on His ſubjects, and particularly the inferior claſſes of them, cannot fail to be acceptable: I augur therefore with confidence, that Your Majeſty will not diſapprove of my conduct in addreſſing this Letter to You.

It is with the moſt fervent wiſhes for the continuance of

Your Majeſty's life, and for the augmentation of Your proſperity and glory, and with the ſincereſt ſentiments of attachment and gratitude, that I preſume to ſubſcribe myſelf,

SIRE,

Your Majeſty's

faithful and dutiful

Subject and Servant

LIVERPOOL.

APPENDIX,

CONTAINING

AN ACCOUNT

OF

RELATIVE VALUES OF GOLD TO SILVER AMONG THE ANCIENT PERSIANS, GRECIANS, AND ROMANS.

APPENDIX.

IT is intended in this Diſſertation to take a view of the relative value of Gold to Silver in ancient times; a ſubject highly intereſting, but at ſome periods embarraſſed with much doubt and obſcurity.

Perſons accuſtomed to methodical enquiry in general, and not previouſly acquainted with the ſubject of that now propoſed, might perhaps, without heſitation, form a plan for conducting their reſearches, and entertain ſanguine hopes of being able to accompliſh it as much to their ſatisfaction, as the nature of ancient hiſtory will permit: nor could the adoption of ſuch ideas, under ſuch circumſtances, be termed extravagant. For the laws of nations afford clear and unqueſtionable proofs of the political and moral duties, which they obſerve; and in whatever inſtances the laws of ancient nations have been tolerably preſerved, we might expect to meet with clear information concerning the mediums, through which their mercantile tranſactions were carried on. To theſe reſources, therefore, ſuch perſons would reſolve to turn their attention, and would expect from them particulars free from doubt, and conſiderably connected: but, upon carrying their deſign into execu-

execution, diſappointment would ſoon ſucceed. An enquirer into the relative value of Gold to Silver, in ancient times, finds reaſon to lament his inability to obtain information at every ſtage of his purſuit. Few paſſages relating to it have come down to us; and perhaps in ſome countries few regulations concerning it were ever made and recorded as laws. In very early ſtages of ſociety, agreements, adjuſted by local and temporary circumſtances, were perpetuated without doubt for ſome time by oral information only; and thoſe agreements, even when intercourſe had increaſed, and arts and civilization had advanced, it might be thought in ſome inſtances unneceſſary to record, upon the ſuppoſition that what muſt occur daily could neither be miſtaken, nor ſlip from the remembrance of the community. It is alſo highly probable, that in ancient times, as well as in modern, it might appear to ſome who governed highly advantageous to have nothing preciſely fixed concerning the precious metals, conſidered as the common meaſure of property. Uncertainty gave them an opportunity of making alterations in their relative values to one another, ſuitable to their own private intereſts; and if ſuch alterations were carried into execution, it is not to be ſuppoſed that they would tranſmit a written account of them to poſterity.

Nor is a ſcantineſs of materials the only circumſtance, which we have to lament in an enquiry into the relative value of Gold to Silver in ancient times. The few paſſages, which can be collected, are defective, as no ſtatement is given in them of the alloy put into the Coins of either metal[a].

[a] It is impoſſible to trace the Coinage of Money to its origin, with any degree

That a neglect of ſuch a ſtatement may materially affect the proportion, will appear evident from what immediately follows. According to the regulations at preſent in force at the Britiſh Mint, a Pound weight of ſtandard Gold is coined into $44\frac{1}{2}$ Guineas; a Pound weight of ſtandard Silver is coined into 62 Shillings; and a Guinea is current for 21 Shillings. Theſe particulars enable us to calculate the relative value of Gold to Silver, if we neglect the alloy in the Coins; for $44\frac{1}{2}$ Guineas are equivalent in value to 1869 Sixpences, and 62 Shillings being equal to 124 Sixpences, the value of Gold is to that of Silver as 1869 to 124, or as $15\frac{9}{124}$ to 1. This would accurately expreſs the relative values of the two metals, if the quantity of alloy in a Pound weight of ſtandard in each bore the ſame proportion to the whole; which is not the caſe. In a Pound weight of ſtandard Gold, at the Britiſh Mint, one twelfth is alloy; in a Pound weight of ſtandard Silver it is $\frac{3}{40}$; and the relative value of pure Gold to pure Silver, according to theſe regulations, and the eſtabliſhed currency between Coins of the two metals, is as $15\frac{2859}{13460}$ to 1.

The deficiencies of ancient authors in not mentioning the

degree of certainty. Different authors attribute its commencement to different nations. Herodotus, (lib. i. 94.) who, on account of his high antiquity in profane hiſtory, is entitled to a ſuperior degree of reſpect, attributes it to the Lydians.

For the impreſſions on the Coins of different nations, ſee Hoſtus de Re Nummaria, lib. i. cap. 8.

It is a general and well founded opinion, that there was very little alloy in the ancient Coins. Several have ſuppoſed, (ſee Arbuthnot. chap. vi.) that there was only a fiftieth part of alloy in the Gold Coins.

quantity of alloy put into their Gold and Silver Coins, are not, however, of ſuch magnitude, as to arreſt inquiry into the relative values of the precious metals: deductions may be made from them, notwithſtanding the omiſſions; and the reſults, it is probable, will be either accurate proportions of their values of pure Gold to pure Silver, or very near approximations. Full, connected, and certain information we cannot attain. We muſt therefore be content with what we can glean and connect, as by ſo doing we can arrive at ſuch knowledge as will afford ſome ſatisfaction to rational curioſity, and ſuch as may be productive of ſome utility.

Several paſſages in Scripture, and alſo in Joſephus, afford certain proof, that Gold and Silver were highly eſteemed among the Jews, and that they were employed as the medium of traffic. Abraham weighed to Ephron the Silver, which he had named in the audience of the ſons of Heth, four hundred ſhekels of Silver, current Money with the merchant[a]. Joſeph was ſold by his brethren for twenty pieces of Silver[b]; and the chiefs of the nation, in order to rebuild their temple, gave after their ability unto the treaſure of the work, three ſcore and one thouſand drams of Gold, and five thouſand pound of Silver[c]. We meet with no preciſe ſtatement, however, with reſpect to the rate at which the Jews valued Gold, when compared to Silver; nor is there good reaſon to ſuppoſe that they had any coined Money before the times of the Maccabees[d]. A belief that Silver was moſt generally their

[a] Geneſis xxiii. 16. [b] Geneſis xxxvii. 28. [c] Ezra ii. 69.
[d] See Clarke on Coins, p. 244.

current

current Money is ſupported by a great number of paſſages; a circumſtance, which muſt have tended to keep up the value of this metal: but there is no reaſon to doubt, that it was frequently depreſſed, when compared to Gold, by national proſperity. We learn from Joſephus, that, in the time of Solomon, Silver was as plentiful as ſtones[a]; and in Scripture it is ſaid to have been in ſuch abundance, that it was held in no eſtimation[b].

From Herodotus, the father of profane hiſtory, we obtain much curious information concerning the riches of eaſtern princes, and one ſatisfactory ſtatement concerning the relative value of Gold to Silver. A minute detail of the former, however, is foreign to the preſent deſign. His account of the preſents of Gyges, Crœſus, and other Monarchs, to the temples they revered, and whoſe oracles they conſulted, convinces us at once of their piety and wealth: but his ſtatement of the revenues of Darius, the ſon of Hyſtaſpes, is more aſſiſting to the preſent enquiry, as he there proceeds upon the ſuppoſition, that the value of Gold was to that of Silver as 13 to 1[c]. It clearly appears, from the ſame account, that both metals were uſed as Money, when the demands upon Government rendered a Coinage neceſſary[d]; and there is every reaſon to believe, that the Hiſtorian's opinion of their relative value was founded upon their currency in exchange under Darius.

Theſe relative values of the precious metals are the moſt

[a] Antiq. lib. viii. cap. 2. 1 Kings x. 21. [c] Herod. lib. iii. 95.
[d] Herod. lib. iii. 96.

ancient of which we have certain information; and it is highly probable, that in the time of Herodotus[a] they were alſo eſtabliſhed in Greece. We are unable to ſay how long the proportion of 13 to 1 had been obſerved previous to the period of which we are now ſpeaking; but we have reaſon to ſuppoſe, that the value of Gold did not long continue to be ſo high in Greece; for Plato, who flouriſhed about fifty years after Herodotus, aſſerts in his Hipparchus, that the value of Gold was to that of Silver as 12 to 1[b].

Xenophon was contemporary with Plato, and in his account of the expedition of the younger Cyrus, againſt his brother Artaxerxes, he alſo furniſhes us with particulars for aſcertaining the relative value of the two precious metals. The crown of Perſia was the object which Cyrus wiſhed to obtain; and having for this purpoſe conducted an army through Aſia Minor, he advanced to the banks of the Euphrates, and paſſed that river, to attack Artaxerxes. His hopes and his doubts concerning the event increaſed as the time of the battle appeared to draw near; and, according to the ſuperſtition of the times, he had recourſe to a ſoothſayer to quiet his apprehenſions. Being told that the king would not fight within ten days, and being under a perſuaſion, that, if he did not fight within that time, he would not fight at all, Cyrus pro-

[a] Herodotus read his hiſtory in the council at Athens, in the year 445 before Chriſt.

[b] Platonis Opera, tom. ii. p. 231. edit. H. Steph. 1578. Some of the beſt critics think that the Hipparchus is not the production of Plato: but as they agree in believing it to be of his age, the above ſtatement is not affected by the doubt as to the real author.

miſed

miſed the ſoothſayer ten talents, if his prophecy proved true. On the eleventh day, after the prediction had been made[a], Cyrus paid the ſoothſayer three thouſand Daricks[b], Perſian Gold Coins; and by ſo doing, according to Xenophon, he fulfilled his promiſe. In this tranſaction, therefore, the fair and uſual relative value of Gold to Silver was probably adhered to.

But it does not afford certain and indiſputable data for eſtimating the relative value of Gold to Silver, and therefore, as is uſual in doubtful caſes, different proportions have been deduced from it. The opinion moſt commonly received, for a conſiderable length of time, was, that the Darick weighed two drachms. According to this ſuppoſition, as Silanus the ſoothſayer received a talent of Gold, there being 6000 drachms in a talent, and as Cyrus had promiſed to pay him ten talents

[a] Κύρε Ἀνάβασ. p. 70. edit. Hutchinſon. Cantab. 1777.

[b] A Darick was equal to the Attick Aureus. See Suidas on the word, p. 510. vol. 1. Cambridge edition of 1705. Writers differ in their opinion concerning the origin of this Coin; but preponderating reaſons incline us to believe, that it was firſt ſtruck by Darius Hyſtaſpes. Authors agree in praiſing the fineneſs of the Gold in the Daricks; and Herodotus ſays, (lib. iv. 166.) that Darius, wiſhing his memory to be famous for what Kings had not done before, ſtruck Coins from Gold, rendered as pure as it poſſibly could be made.

We are informed by Plutarch, (tom. iii. p. 385. London edition of 1723.) that the impreſſion upon thoſe Perſian Coins was an archer; and from this circumſtance, Ageſilaus ſaid, that he had been driven out of Aſia by the King, by means of a thouſand archers. For ſo many Daricks being ſent to Athens and Thebes, and divided among the popular orators, they were induced to make war upon Sparta.

of

of Silver, the value of Gold was eſtimated to be to that of Silver as 10 to 1.

There are good reaſons, however, for doubting the accuracy of this proportion. Plato, as above mentioned, ſtates the proportion of 12 to 1 as a fact, free from doubt, and generally known. The place, it is true, where Cyrus rewarded Silanus, was in the neighbourhood of Babylon; and this diſtance from Greece might account for ſome difference in the relative values of the two metals, in the two different countries. But ſo conſiderable a deviation from the proportion in Greece muſt have ſtruck the obſervation of Xenophon; and having attracted his attention, we may ſuppoſe it would have been recorded with his uſual accuracy.

We are informed by Herodotus[a], that Darius the ſon of Hyſtaſpes enjoined, that his ſubjects, who diſcharged the tribute impoſed upon them in Silver, ſhould pay by the weight of the Babylonian talent; and that ſuch as diſcharged it in Gold, ſhould pay by the Euboic talent. The Hiſtorian alſo adds, that the Babylonian talent was equal to ſeventy Euboic minæ. If this regulation continued to be obſerved, and to be implied in agreements under Artaxerxes, it follows, that Cyrus promiſed the ſoothſayer 700 minæ of Silver, and paid him 60 minæ of Gold as an equivalent; and upon this ſuppoſition the value of Gold was to that of Silver as $11\frac{2}{3}$ to 1.

It is highly probable, that this was the true proportional

[a] Herod. lib. iii. 89.

value

value of Gold to Silver at that time in Perſia[a]. An interval of about one hundred and twenty years had elapſed from the commencement of the reign of Darius; and we may readily believe, that his regulations, concerning the diſcharge of tribute in the two metals, were ſtill continued, and, conſiſtent with ſtrict juſtice, that they had been extended to payments of every deſcription. The diminution in the value of Gold, from that which it had in the time of Darius Hyſtaſpes, may be attributed to the extenſive armaments of Xerxes, connected with other circumſtances, of which, at this diſtant period of time, we are unable to give a clear and ſatisfactory account.

That Gold was at a lower value in Perſia than it was in Greece, at the time of which we have been ſpeaking, ought not to raiſe our aſtoniſhment. Many circumſtances might be adduced to prove, that this precious metal had been, and ſtill was, in much greater plenty in Aſia than in Europe: and this conſideration alone is ſufficient to enforce a conviction, that the proportion of 12 to 1 might exiſt in Greece, and that of $11\frac{2}{3}$ to 1 in Perſia, at the ſame time[b].

[a] In the Philoſophical Tranſactions for the year 1771, there is "An In-"quiry into the value of the ancient Greek and Roman Money: by Matthew "Raper, Eſq." In this Inquiry Mr. Raper conſiders the promiſe of Cyrus to Silanus, and the reward made in conſequence of it; and, by ſuppoſing the Babylonian talent to weigh 72 Euboic minæ, he concludes, that the value of Gold was to that of Silver as 12 to 1. By proceeding thus, Mr. Raper procures a coincidence with the relative value ſtated by Plato: but this coincidence is obtained by means of a conjecture contrary to the expreſs ſtatement of Herodotus, as mentioned above.

[b] The relative values of Gold to Silver, at the principal European Mints, differ at this time conſiderably from one another.

In

In times previous to that of which we have been ſpeaking, the precious metals were ſcarce in Greece. Philip, King of Macedon [a], is ſaid to have been ſo poor in Gold, in the former part of his reign, that he had only a ſmall cup of it, which he placed every night under his pillow: but it was not long before this enterpriſing Monarch rendered it abundant in his own kingdom, and contributed to make it comparatively plentiful in Greece. Being informed, that in ancient times Gold Mines had been worked in his own dominions [b], he cauſed thoſe near Mount Pangæus to be opened. The ſucceſs of this meaſure exceeded his expectations, as he drew from theſe Mines annually more than a thouſand talents [c].

About the ſame time the Phocians robbed Delphi of the golden offerings, which had been made from time to time to Apollo [d]; and by this plunder they obtained Gold to the amount of more than ten thouſand talents [e]. Theſe circumſtances contributed to render Gold ſo plentiful in Greece, that

[a] Σπάνιος γὰρ ὄντως ἦν τὸ παλαιὸν παρὰ τοῖς Ἕλλησιν ὁ μὲν χρυσὸς καὶ πάνυ· ὁ δὲ ἄργυρος ὀλίγος ἦν ὁ ἐν τοῖς μετάλλοις. Διὸ καὶ Φίλιππον τὸν τοῦ μεγάλου βασιλέως Ἀλεξάνδρου πατέρα φησὶ Δοῦρις ὁ Σάμιος, φιάλιον χρυσοῦν κεκτημένον, ἀεὶ τοῦτ' ἔχειν κείμενον ὑπὸ τῷ προκεφαλαίῳ. Athenæi Deipnoſoph. lib. vi. p. 231. edit. Lugduni 1612.

[b] Senecæ Natural. Quæſt. lib. vi. cap. 15. Strab. lib. vii. p. 331.

[c] Diodor. Sic. tom. ii. p. 88. With the metal obtained from theſe Mines Philip ſtruck his Gold Coins, called Philippics; collected together ſtrong forces of mercenaries, and allured many Greeks by his preſents to betray their country. Diodor. Sic. ibid.

[d] Athenæi Deipnoſoph. p. 231.

[e] Diodor. Sic. tom. ii. p. 126. The Hiſtorian adds, ἔνιοι δὲ τῶν συγγραφέων φασὶν οὐκ ἐλάττω γενέσθαι τὰ συληθέντα τῶν ἐν τοῖς Περσικοῖς θησαυροῖς ὑπ' Ἀλεξάνδρου καταχληθέντων.

according

according to Menander[a], who was born about the year 341 before the Chriſtian æra, its value was eſtimated to be to that of Silver as 10 to 1.

It has been ſuppoſed, that Alexander completed his conqueſts in Aſia before Gold was at this low value in Greece, and that the diminution in value happened in conſequence of the wealth procured from the Perſian treaſures by that ſucceſsful warrior[b]: but a careful examination of the above-mentioned circumſtances may well incline us to doubt the truth of this conjecture. The Mines began to be productive to Philip[c] in the 358th, and Alexander ſet out on his expedition to Aſia in the 334th, year before the Chriſtian æra; and as during this interval of twenty-four years the annual income from them was 1000 talents, or 225,000l Sterling[d], the whole ſum derived from them in this period was 5,400,000l. Delphi was plundered, in the year 357 before Chriſt, of Gold to the amount of 10,000 talents, or 2,250,000l. Conſequently, to the Gold in Greece at the acceſſion of Philip to the throne of Macedon, an addition had been made to the amount of 7,650,000l Sterling, previous to the expedition of Alexander into Aſia. This accumulation muſt have had a powerful tendency to depreſs the value of this precious metal; and as we read of no intermediate proportion between thoſe ſtated by

[a] See Julius Pollux, lib. ix. cap. 6. §. 76.

[b] See the Philoſophical Tranſactions for 1771, p. 518.

[c] The dates are according to Weſſelingius's edition of Diodorus.

[d] In reducing the ſums mentioned by Diodorus to Engliſh Money, I have followed the learned Abbé Barthelemy. See Tab. xi. of his Anacharſis.

Plato and Menander, we may conclude, that Gold was to Silver as 10 to 1 in Greece, before any acceſſion was made to its wealth by the conqueſts of Alexander[a]. His acquiſitions from the Perſian treaſures were great[b]; but his liberality was proportionally extenſive. The ſum in the treaſury at his death amounted to 50,000 talents[c], equivalent to 11,250,000l Sterling; but we are not informed how much of this was in Gold. This precious metal, without doubt, was rendered more plentiful in Greece by what flowed into it from Alexander's ſeizures in Aſia[d]; but the opinion of thoſe ſeems to have been well founded, who limited the amount of the influx to about ten thouſand talents[e], equivalent to 2,250,000l Sterling.

There is reaſon to ſuppoſe, that the value of Gold continued to be to that of Silver as 10 to 1 in Greece, during the ſpace of 170 years after the death of Alexander: but, in order to ſhew that this conjecture is well founded, we muſt turn our attention to the relative values of the precious metals at the Roman Mint.

[a] Poſitive teſtimony, as to the time when the proportion of 10 to 1 began, cannot be obtained from Menander, as it is uncertain when he wrote the paſſage in which it is ſtated, and to what period it alluded. He was born, as mentioned above, about the year 341, and died about the year 293, before Chriſt: he therefore ſurvived Alexander 32 years. But it is to be remembered, that the paſſage now under conſideration was put into the mouth of a character in one of his plays; and it is highly probable, that the time affixed to the action of this piece was ſome years previous to that at which it was written.

[b] Several paſſages in Quintus Curtius might be produced in proof of Alexander's great acquiſitions of wealth in Aſia, and alſo of his great liberality.

[c] Juſtin. lib. xiii. cap. 1. [d] Athen. lib. vi. p. 231. [e] See Note e. p. 248.

More

More than 176 years elapſed from the building of Rome, according to Pliny, before the inhabitants of that city uſed coined Money. Servius Tullius, their ſixth King, introduced it[a]; and, conſiſtent with the frugality and limited mercantile tranſactions of the people, it was of Braſs. This continued to be the only current Money till the 485th year of Rome, or the 269th year before Chriſt, when Silver Coins were firſt ſtruck in that city[b]. For ſome time previous to this laſt mentioned period, ſeveral circumſtances had been gradually contributing to render ſuch an extenſion of the Coinage neceſſary. The ſoldiers no longer depended upon their own individual induſtry in peace for their ſubſiſtence in war; during almoſt a century and a half they had received regular pay from the ſtate, and in return they had made ſeveral very important additions to its territories. They had obliged Pyrrhus to quit Italy, and had reduced the Tarentines to ſubmiſſion: and by theſe and other ſucceſſes they had much extended the Roman dominion. The conſequence of this was an adequate increaſe of their military eſtabliſhments, and a correſpondent extenſion of Coinage for their ſupport.

The mark impreſſed upon the firſt Silver Coins at Rome was a chariot and a pair of horſes, or a chariot and four horſes;

[a] Plinii Natur. Hiſtor. lib. xxxiii. 13. At the ſame time Pliny informs us, upon the authority of Timæus, an ancient hiſtorian, that, previous to the firſt Coinage of Money, the Romans uſed unſtamped bars of Braſs, or Copper, as a medium of exchange.

[b] Plinii ibid. Argentum ſignatum eſt anno urbis 485, Q. Fabio conſule, quinque annis ante primum bellum Punicum.

and according to theſe impreſſions they were called Bigati or Quadrigati: but Denarii is the general expreſſion by which they were denominated.

Sixty-two years after the firſt Coinage of Silver at Rome[a], Gold Coins called Aurei were firſt ſtruck at that place. One ſcruple of Gold was then equivalent to twenty ſeſterces; which made for a pound, (according to Pliny,) in the proportion of the ſeſterces of the time, 900 ſeſterces. This ſtatement of Pliny's has given much trouble to writers on ancient Coins, and has cauſed much variation in their calculations of the relative value of Gold to Silver at that time.

The firſt difficulty which occurs, on entering upon ſuch a calculation, is, to determine the number of denarii then in the pound; as different writers have entertained different opinions concerning this circumſtance. A perſuaſion that there were ſeven denarii in the ounce, at the time now under conſideration, is ſupported by the ſtrongeſt teſtimonies, and has therefore the higheſt claim to our belief. The aſſertions of Celſus[b] and Scribonius Largus[c] are clear and expreſs to this purpoſe; and Pliny himſelf, when ſpeaking of the debaſements of Money, by leſſening the weight, ſays, that the juſt

[a] Aureus nummus poſt annum LXII. percuſſus eſt, quam argenteus, ita ut ſcrupulum valeret ſeſtertiis vicenis: quod effecit in libras, ratione ſeſtertiorum, qui tunc erant, ſeſtertios DCCCC. Plinii Natur. Hiſtor. lib. xxxiii. 13.

[b] Sed et antea ſciri volo, in uncia pondus denariorum ſeptem eſſe. Lib. v. cap. 17.

[c] Æque enim in libra denarii octoginta quatuor apud nos, quot drachmæ apud Græcos incurrunt. P. 6. edit. Patavii, 1655.

number

number of denarii in the pound was 84[a]. This being allowed, the value of a pound of Silver was 336 ſeſterces, there being four ſeſterces in every denarius; and there being 288 ſcruples in a pound, and one ſcruple of Gold being valued at 20 ſeſterces, the value of a pound of Gold was 5760 ſeſterces. The value of coined Gold was therefore to that of Silver as 5760 to 336, or as $17\frac{9}{7}$ to 1.

The paſſage in Pliny, however, upon which this calculation is founded, guards us againſt concluding that this was the relative value of Gold to Silver in Bullion. According to the latter part of the ſentence, and the beſt interpretations of it, the republic gained 900 ſeſterces in a pound of Gold[b], at the rate at which this firſt Coinage paſſed. Conſequently the value of a pound of Gold in Bullion was 4860 ſeſterces; and therefore Gold was to Silver as 4860 to 336, or as $14\frac{13}{28}$ to 1[c].

[a] Plinii Natur. Hiſtor. lib. xxxiii. 46.

[b] See Harduin's edition of Pliny, tom. ii. p. 612. and Clarke on Coins, p. 385.

[c] Other concluſions have been made concerning the relative values of the precious metals at Rome, when Gold was firſt coined there; but they are founded upon an imaginary correction of the paſſage in Pliny, already mentioned, from a perſuaſion, that as it now ſtands it is erroneous. See Clarke on Coins, p. 387.

Mr. Raper, in the Philoſophical Tranſactions for 1771, propoſed the following as the ſenſe of the paſſage (in Note a. in the preceding page) now under conſideration.

"The Gold Money was coined ſixty-two years after the Silver, and the "ſcruple paſſed for twenty ſeſterces, which, as the ſeſterce was reckoned at "that time, ($2\frac{1}{2}$ aſſes,) made the pound of Gold worth nine hundred *Silver* "denarii (of 16 aſſes each)." p. 490.

"If the ſcruple was valued at 20 ſeſterces," ſays Mr. Raper, "the pound,

"inſtead

Several reaſons may be advanced for the high rate at which the firſt Gold Coins paſſed at Rome. The metal was far from being plentiful in the city, and the Romans had exacted the tributes from the conquered nations in Silver, not in Gold[a]. The interval between the firſt Coinage of Silver and that of Gold had alſo been filled up with events highly important to the Romans: it comprehended the whole of the firſt Punic war; Sicily had been reduced to ſubmiſſion; the Romans had

" inſtead of being worth 900, muſt have been worth 5760, ſuch ſeſterces: but " if for *ſeſtertios* DCCCC, we read *denarios* DCCCC, the account will be clear " and intelligible. The words *ratione ſeſtertiorum, qui tunc erant*, imply, that " the ſeſterce of that age was different from the ſeſterce of Pliny's time: " but the quarter of the Silver denarius, or Nummus Seſtertius, of 4 aſſes, " was the ſame at both times; and we know of no other ſeſterce but the an- " cient one of $2\frac{1}{2}$ aſſes. Twenty ſuch ſeſterces make 50 aſſes, for the value " of the ſcruple of Gold; which, multiplied by 288, (the number of ſcruples " in the Roman pound) give 14,400 aſſes for the value of the pound of Gold. " And reckoning 16 aſſes to the Silver denarius, (which it paſſed for at the " time of this Coinage,) 14,400 aſſes make juſt 900 ſuch denarii; which is " Pliny's number." p. 518.

" If the pound weight of Gold was worth 900 denarii, 84 of which were " coined out of the pound of Silver, the value of Gold to Silver muſt have " been in the proportion of 900 to 84, or as $10\frac{5}{7}$ to 1." p. 520.

This propoſed correction is very ingenious; but the writer of this Appendix thinks that it is open to two ſtrong objections. Mr. Raper has not ſupported it by the reading in any one MS.; and, from the general diſpoſition and condition of the Romans, it may well be ſuppoſed, that Gold had a much higher value among them at that time than in Greece.

[a] Equidem miror populum Romanum victis gentibus in tributo ſemper argentum imperitaſſe, non aurum: ſicut Carthagini cum Hannibale victæ argenti pondo annua in quinquaginta annos, nihil auri. Plinii Natur. Hiſtor. lib. xxxiii. 15.

become

become powerful at ſea, and the ſecond Punic war had been almoſt brought to a ſucceſsful concluſion.

Hannibal, it is true, had repeatedly defeated their armies with great ſlaughter: but theſe defeats, inſtead of repreſſing, rouſed the bravery and patriotiſm of the Romans to the higheſt degree of enthuſiaſm. Whatever might be their ſituation, they ſhewed a diſpoſition to face every danger, and undergo every poſſible hardſhip, for the good and glory of their country; and therefore it is probable they received the Gold Coins at a high rate of exchange, not only for their novelty, but from a conviction, that by ſo doing they were advancing the objects, which they had moſt at heart.

The above-mentioned proportion in the relative value of Gold to Silver did not continue long at Rome. Soon after her firſt Coinage of Gold her arms became victorious in every quarter of the old world; her conqueſts were rapid and extenſive; ſhe quickly became acquainted with the riches and cuſtoms of eaſtern nations; and with profound policy ſhe adopted ſuch as were ſuitable to her own views of acquiſition. Accordingly we find in the conditions on which the Romans made peace with the Ætolians, about 189 years before the Chriſtian æra, that they coincided with the Greeks in eſtimating the value of Gold to be to that of Silver as 10 to 1[a]. From this circumſtance there is reaſon to believe, that during all the convulſions and viciſſitudes, which Greece experienced from the time of Alexander

[a] Pro argento ſi aurum dare mallent, darent convenit; dum pro argenteis decem aureus unus valeret. Livii lib. xxxviii. 11.

the

the Great to the period laſt mentioned, the relative values of the precious metals continued the ſame in that country.

An extraordinary influx of either of the precious metals into any place or diſtrict, and a ſubſequent and extenſive exchange of it for the other, muſt always leſſen its value. We have a remarkable proof of this upon Cæſar's return to Rome, with the plunder which he had collected in Gaul. He had amaſſed Gold in that country, according to Suetonius, to ſuch an amount, that it was ſold for three thouſand ſeſterces, or ſeven hundred and fifty denarii, a pound, throughout Italy and the provinces[a].

But writers on the ſubject differ in their computations of the relative value of the precious metals from this ſtatement; ſome ſuppoſing, that the pound mentioned by Suetonius was the pound in weight, others, that it was the pound in tale. Upon the hypotheſis that the pound in weight was meant, the value of Gold was to that of Silver as 750 to 84, or as $8\frac{13}{14}$ to 1[b], there being 84 denarii in the pound weight. There is more reaſon however to believe, that the pound in tale, or one hundred denarii to the pound, was that which Suetonius meant, as it was by this that the Romans computed the value

[a] Suetonius, ſpeaking of Cæſar, ſays, In Gallia fana templaque Deûm donis referta expilavit: urbes diruit, ſæpius ob prædam quam ob delictum: unde factum ut auro abundaret, terniſque millibus nummum in libras promercale per Italiam provinciaſque divideret. Suetonius de Jul. Cæſar. cap. LIV. edit. Pitin.

[b] Arbuthnot adopts this proportion, as does alſo Mr. Raper, in the Philoſophical Tranſactions for 1771.

of

of exchange in their currency. Admitting, therefore, that there was no departure at this time from their uſual practice, the value of Gold was to that of Silver as 750 to 100, or as $7\frac{1}{2}$ to 1*.

This depreſſed value of Gold can only be conſidered as a tranſient convulſion in the relative eſtimations of the precious metals in Rome and its dependencies. The cauſe was inadequate to the production of any durable effect; and it is highly probable, that the Gold of Gaul, when it had paſſed into the currency of the empire, was inſufficient to ſupport an advancement in the value of Silver through ſuch an extenſive circulation.

The tendency of Cæſar's conqueſts in Gaul to depreciate the value of Gold in Rome, and its provinces, perhaps might induce ſome to believe, that Alexander's victories in Aſia muſt have had a ſimilar effect in Greece; and to a degree beyond that admitted in this Diſſertation. But it is to be remarked, that Cæſar's principal object in Gaul was plunder, and that he and his army returned to Rome with the ſpoils of the conquered country. On the contrary, Alexander's principal object was foreign conqueſt, not plunder; he never returned home: and his armies remained in the countries, which he had ſubjected to his power.

We cannot ſay with confidence how long the laſt mentioned proportion between the two precious metals continued;

* Hoſtus adopts this proportion; as does alſo Clarke in his Book on Coins.

but we find, that in the time of Claudius, about a century after Cæſar's return from Gaul, the value of Gold was conſiderably advanced: for under this Emperor's reign it was thought proper, according to Tacitus[a] and the younger Pliny[b], to limit the fee of an advocate to ten thouſand ſeſterces; and this legal fee is ſtated in the Digeſt[c] at one hundred aurei. Now as 10,000 ſeſterces were equal to 2,500 denarii, it follows, that the value of Gold was to that of Silver as 2,500 to 200, or as $12\frac{1}{2}$ to 1.

We can trace the duration of theſe relative values of the precious metals at Rome, with more certainty than any which we have before recorded. There is no reaſon to doubt of their continuance through Nero's reign, as we have poſitive proof of their exiſtence in the time of Galba. For Tacitus informs us, that when Otho entertained the Emperor Galba at ſupper, he gave to each man of the cohort, which mounted guard that night, a hundred ſeſterces[d]; and Suetonius, ſpeak-

[a] Tacitus, ſpeaking of the Emperor Claudius, and this regulation, ſays, capiendis pecuniis poſuit modum, uſque ad dena ſeſtertia, quem egreſſi repetundarum tenerentur. Annalium lib. xi. cap. 7.

[b] Suberat edicto ſenatuſconſultum hoc: Omnes, quicquid negotii haberent, jurare, priuſquam agerent, jubebantur, nihil ſe ob advocationem cuiquam dediſſe, promiſiſſe, caviſſe. His enim verbis, ac mille præterea, et vænire advocationes et emi vetabantur. Peractis tamen negotiis, permittebantur pecuniam duntaxat decem millium dare. C. Plinii Epiſt. lib. v. ep. 25.

[c] Licita autem quantitas intelligitur pro ſingulis cauſis uſque ad centum aureos. Lib. I. tit. 13. §. 12.

[d] Per ſpeciem convivii, quotiens Galba apud Othonem epularetur, cohorti excubias agenti, viritim centenos nummos divideret. Tacit. Hiſtor. lib. i. c. 24.

ing

ing of the ſame thing, ſays, that he gave each man an aureus[a]. Hence it is evident, that in Galba's reign, twenty-five denarii were equivalent to one aureus; and admitting, as uſual, that the aureus was double the denarius in weight, the value of Gold was to that of Silver as $12\frac{1}{2}$ to 1.

It appears, that theſe relative values of the precious metals continued during the interval between Galba and Alexander Severus, a period of more than a century and a half; for Dion Caſſius, the Hiſtorian, flouriſhed under the reign of this laſt mentioned Emperor; and he ſays expreſsly, that an aureus was equal in value to 25 denarii[b]: a ſtatement which gives the relative value of Gold to Silver as $12\frac{1}{2}$ to 1, as before.

Although we ſeek in vain to aſcertain the further duration of this proportion, it is highly probable, that it continued ſome time after the reign of Alexander Severus, as the ſtate of the empire juſtifies ſuch a ſuppoſition. At what period it ceaſed we are unable to ſay; but under the reign of Conſtantine the Great we find, that the value of Gold was much di-

[a] Suetonius alſo, ſpeaking of Otho's proceedings to obtain the ſupreme authority, ſays, Nullo igitur officii aut ambitionis in quemquam genere omiſſo, quoties cœna principem acciperet, aureos excubanti cohorti viritim dividebat. Suetonius de Othone, c. 4.

[b] Hiſtor. Rom. p. 784. edit. Hamb. 1752. From the paſſage in Dion Caſſius, here referred to, there is reaſon to believe, that the value of Gold was to that of Silver as $12\frac{1}{2}$ to 1, in the time of Auguſtus. For the Hiſtorian having mentioned the preſents received by that Emperor, after his palace had been burned down, ſays, I call that Coin an Aureus, which, according to the cuſtom of the Romans, is equivalent to 25 denarii.

miniſhed. In his time alſo we find that new names had been affixed both to the Gold and Silver Coins: the Aureus was now known by the name of Solidus, and the Denarius, by that of Milliarenſis. According to one of the laws of this Emperor, ſix ſolidi, of four ſcruples each, weighed an ounce[a]; and, according to one of the Gloſſes upon the Baſilica, a ſolidus was equal to fourteen milliarenſes[b]. Hence four ſcruples, or one ſixth of an ounce of Gold, was equivalent to $\frac{14}{6}$ ounces of Silver, there being now 8 denarii in the ounce. It therefore follows, that one ounce of Gold was equivalent to $\frac{84}{6}$, or $10\frac{1}{2}$ ounces of Silver, and conſequently, that the value of Gold was to that of Silver as $10\frac{1}{2}$ to 1.

The hiſtory of the times does not enable us to trace the continuance of theſe relative values, and to mark the preciſe period, at which they ceaſed. From the political alterations, which ſucceeded the reign of Conſtantine, we may reaſonably conjecture, that they were not of long duration; eſpecially as we find, that under Arcadius and Honorius, about ſixty years after Conſtantine, the value of Gold was much increaſed. According to the Theodoſian code, the number of ſolidi in the pound was 72[c], as in the reign of Conſtantine; and by a

[a] Siquis ſolidos appendere voluerit auri cocti, ſex ſolidos quaternorum ſcripulorum noſtris vultibus figuratos adpendat pro ſingulis unciis. Cod. Theod. lib. xii. tit. 7. §. 1.

The old reading is *ſeptem ſolidos* &c. but there is reaſon to believe *ſex* to be the true. See Theſaur. Variar. Lectionum D. Guidi Panciroli, p. 91.

[b] Theſaurus Juris Romani, &c. cum Præfatione Everardi Ottonis; p. 1764. Lugduni Batav. 1725.

[c] Illud cautionis adjicimus ut quotieſcumque certa ſumma ſolidorum pro tituli

law made by the two Emperors mentioned above, five ſolidi were equivalent to a pound of Silver[a]. Hence the ſolidus was four ſcruples, and therefore 20 ſcruples of Gold were equivalent to 288 ſcruples of Silver. Conſequently the value of Gold was to that of Silver as 288 to 20, or as $14\frac{2}{5}$ to 1.

The variations in the eſtimation of Gold to Silver, here recorded, may be attributed to cauſes, which muſt ever have a ſimilar influence in ſociety. A failure of the Mines, or whatever tends to promote the circulation of the Coins of either metal more than the other, will enhance its value, and therefore the price of Gold, when compared with other metals, will be raiſed, in conſequence of a ſcanty ſupply from the earth, extreme luxury, or extenſive trade. Wherever the ſecond of theſe prevails, Gold will be moſt eſteemed by the rich for its real or imaginary utility. Ornaments of it will gratify their pride, and Coins of it will moſt conveniently purchaſe for them coſtly indulgences. In large commercial concerns this precious metal will alſo be moſt deſired, as by means of its intervention extenſive exchanges may be carried on with the greateſt facility. A dread of public inſecurity and political convulſions will alſo have the ſame tendency, as the timid, and indeed the prudent, will be induced thereby to conceal their Coin, which can be hid moſt conveniently, from a fond

tituli quantitate debetur, et auri maſſa tranſmittitur, in ſeptuaginta duos ſolidos libra feratur accepta. Cod. Theod. lib. xii. tit. 6. §. 13.

[a] Jubemus, ut pro argenti ſumma quam quis theſauris fuerat illaturus, inferendi auri accipiat facultatem: ita ut pro ſingulis libris argenti quinos ſolidos inferat. Cod. Juſtin. lib. x. tit. 76.

hope,

hope, that, when the commotions are over, their property will procure them, in happier days, the comforts and enjoyments of life.

As Silver Coins are moſt convenient for the payment of troops, war muſt have a tendency to raiſe the price of this metal. A turn of commerce, unfavourable to a country, will alſo affect the relative values of the precious metals, and will raiſe the price of that, which is preferred by thoſe with whom the inhabitants trade.

Theſe principles account for the foregoing variations. The unſucceſsful exertions of Darius Hyſtaſpes againſt Greece, and the vaſt armaments of his ſon Xerxes, directed with ſimilar fortune againſt the ſame country, muſt have had a conſiderable influence upon the relative values of the precious metals. During the preparations of theſe, ſplendour and luxury muſt in ſome degree have given way to the hope of conqueſt, and the proſpect of revenge; and, with ſuch a diſpoſition, a preference of Silver muſt have been adopted, as by means of Coins of this metal the power was to be preſerved, by which the objects in view were moſt likely to be obtained. Silver was not only moſt convenient, but even neceſſary, for paying the bulk of the forces; and in order to procure a ſufficiency of this metal for carrying on the wars, Gold was exchanged, without doubt, at a lower value than formerly. The ſame circumſtances muſt have had a ſimilar tendency in Greece; and this tendency muſt have been rendered ſtill more ſtrong by the victories, which the Grecians obtained over the Aſiatic invaders. That the value of Gold, therefore, when compared to Silver, ſhould

ſhould have been as 13 to 1 in the time of Herodotus, and that it ſhould have been reduced to be as 12 to 1 in the time of Plato, is fully accounted for by the influence of theſe events.

The cauſes of the next reduction of the value of Gold in Greece have been already ſtated. Previous to the end of the fourth century, before Chriſt, the golden offerings, which the Aſiatic Monarchs had made to the temple of Delphi, had only contributed to the ſplendour of that place; but having been ſeized by the Phocians, there is every reaſon to believe, that they were converted into Coin, and circulated through Greece. The Mines which Philip of Macedon opened, about the ſame time that Delphi was plundered, ſupplied him with this precious metal to a large amount; and what he derived from theſe fruitful ſources he appears to have diſtributed among the Grecian ſtates, with a degree of liberality, correſponding to the extent of his ambition. The additions to the current Money of Greece, from theſe events, muſt have born a conſiderable proportion to the whole circulating medium of the country; and their tendency to leſſen the value of Gold muſt have been aided by the frugality and contempt of wealth, which then pervaded almoſt all the ſtates of Greece. That this precious metal therefore in Greece ſhould be as 10 to 1, when compared with Silver, in the time of Menander, may juſtly be attributed to theſe circumſtances; and as the ſubſequent ſucceſſes of Alexander the Great, in Perſia, muſt have brought into circulation much Gold, which had been formerly hoarded up in the treaſuries, or kept for ſplendour, there is reaſon to conclude, that it had the ſame relative value to Silver in this laſt mentioned country, after his conqueſts.

When

When Gold Coins were firſt ſtruck at Rome, the virtue and patriotiſm of the people were in their full vigour. Individual eaſe and emolument were abſorbed in the view of general welfare and public honour: the high value, therefore, at which the Gold Coins were received, is rather to be underſtood as implying a donation to the ſtate, than to be conſidered as a fair eſtimation of the relative values of the precious metals.

Frequent and extenſive ſucceſſes in war rendered the continuation of ſuch donations unneceſſary, and induced the Romans in a ſhort time to conform to the practice, which they found prevailing in Greece, of eſtimating the value of Gold to be to that of Silver as 10 to 1.

The next ſucceeding depreciation of Gold was when Cæſar returned to Rome, after his conqueſts and acquiſitions in Gaul. To what has been already ſaid on this reduced value of Gold, it may not be improper to add, that perhaps the ſudden and extenſive exchange of this precious metal was owing to a conviction in Cæſar's mind, that Silver, and Coins of lower value, were more neceſſary for carrying his ambitious deſigns into execution.

Of the advanced value of Gold in the time of Auguſtus, and its long continuance afterwards, the only apparent cauſe was general profligacy. Licentiouſneſs of manners, prodigality and rapaciouſneſs, were the general features of the Roman character from the time of this laſt mentioned Emperor till the reign of Conſtantine the Great. In this interval a few

diſplayed

diſplayed eminent virtues and abilities; but they were unable to produce a laſting reform among the bulk of the people. This interval was alſo marked by frequent and violent political convulſions; and all theſe circumſtances muſt have maintained a dread of public inſecurity in the minds of thoſe, who obſerved preſent occurrences, and provided for future. There is every reaſon to believe, that theſe were the general cauſes, which rendered the value of Gold to be to that of Silver as $12\frac{1}{2}$ to 1, during a period of about three hundred years.

The victories of Conſtantine the Great, and a general confidence in the wiſdom and vigour of his adminiſtration, removed for a while theſe public evils; and, together with the reliance on Government, Gold in ſuch plenty returned into circulation, that its relative value to Silver became as $10\frac{1}{2}$ to 1.

The empire, however, did not long enjoy this proſperity. Divided power and conſequent rivalry, civil war and internal diſtruſt, imbecility in Government, and invaſions by powerful enemies, revived a dread of public inſecurity, and enhanced the value of Gold, when compared to Silver, to be as $14\frac{2}{3}$ to 1.

As there is reaſon to believe, that the firſt of the relative values, already mentioned, exiſted under the reign of Darius Hyſtaſpes, and as the laſt were ſettled under the Emperors Arcadius and Honorius, the exiſtence of the whole amounted to more than nine hundred years. Some of them, it is highly probable, prevailed throughout the whole extent of the Macedonian and Roman empires, and conſequently regulated the commercial intercourſe of a larger portion of the globe than

any relative values, more ancient, of the precious metals, or any which ſucceeded them. From a review of the whole there is alſo reaſon to conclude, that the extreme relative values of Gold, when compared with Silver, neither enhanced by a dread of public inſecurity and general luxury, or depreſſed by ſudden and unuſual preparations for war, were as 12 to 1, and as 10 to 1.

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